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DAILY REPORT

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DELEGATIONS SCHEDULE VISITS TO AFRICA, THAILAND

OW140912 Beijing XINHUA in English 0902 GMT 14 Nov 84

[Text] Beijing, November 14 (XINHUA) -- Chinese Vice-Premier Tian Jiyun will pay official goodwill visits to Sierra Leone, Nigeria, Benin, Togo and Mali from late November to early December, 1984, at the invitation of the governments of these countries. This was announced by Ma Yuzhen, newly-appointed director of the Information Department of the Chinese Foreign Ministry, here this afternoon.

He said that the purpose of Tian's visits is to learn from the African people, enhance mutual understanding and friendship and strengthen unity and cooperation between China and the African countries.

Vice-Premier Tian will be accompanied by Gong Dafei, advisor to the Ministry of Foreign Affairs, Lu Xuejian, vice-minister of foreign economic relations and trade, and other officials, he added. He also said that a Chinese delegation of Foreign Ministry officials headed by Vice-Minister Liu Shuqing will leave Beijing on November 23 to pay a goodwill visit to Thailand at the invitation of its Foreign Ministry.

FANG YI MEETS RESEARCH INSTITUTE DIRECTOR

OW131343 Beijing XINHUA in English 1246 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- State Councillor Fang Yi met here this evening with Professor Thomas H. Lee, director of the International Institute for Applied Systems Analysis, and his wife. After the meeting, Fang hosted a dinner for the couple.

Professor Lee came here at the invitation of the State Science and Technology Commission. During his stay here, he discussed with Chinese officials on China's joining the international institute and will attend celebrations of the 50th anniversary of the founding of the Electric Engineering Society of China.

FUJIAN OBTAINS \$100 MILLION IN FOREIGN LOANS

OW140315 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 11 Nov 84

[Text] Fujian Province has obtained loans totaling \$100 million from international financial institutions in the past 5 years, which account for 40 percent of the foreign funds made available to the province. The major loans are:

A \$38 million loan was provided by the Chicago Bank and the Houston National Bank of the United States, which was used to purchase 13 freighters and 3 passenger ships. Thus, a fleet of coastal and oceangoing merchant ships has been formed.

A long-term, low-interest loan of 6 million Kuwait dinars, equivalent to more than \$20 million, was obtained from the Kuwait Arab Development Fund. This loan is being used to build the Xiamen International Airport.

Bonds worth Y5 billion were issued in Japan in the name of the (Huafu) Corp., and 37 Japanese banks and securities companies subscribed to such bonds. The fund from the bonds will be used mainly to import technologies and equipment to transform old enterprises.

VANCE-LED ECONOMIC LAW GROUP CONTINUES VISIT

Meets Zhao Ziyang, Chen Muhsa

OW131730 Beijing XINHUA in English 1504 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- Chinese Premier Zhao Ziyang said here today that China's current policy on economic development was born out of the experience and practice in the past 30 years or so.

At a meeting with a U.S. economic law delegation led by former Secretary of State Cyrus Vance this afternoon, Zhao said the stability and continuity of the policy was derived from popular support of the people who had benefited from the policy. The policy was the ultimate choice of many years of practice, so the policy had a profound and solid foundation among the people and was independent of anyone's subjective will, he said.

Speaking of China's present economic reform, the Chinese premier said that China was now pursuing two major policies, namely, opening to the outside world and reforming and enlivening the domestic economy. The reform in the rural areas had been underway for five years and achieved results beyond expectation, Zhao said. During the five years, he continued, reform was also carried out in the cities but on an experimental basis at selected units. So now the conditions for urban reform were ripe. The aim of the urban reform was to invigorate the enterprises and production departments under the socialist system.

Zhao expressed his conviction that after several years of reform, China's economy would be full of vitality, not only growing at high speed but also yielding good economic results. This would provide better conditions for economic and technical cooperation with other countries and help overcome bureaucracy. Zhao told the U.S. visitors: "Our blueprints are finalized. We will carry out the reform prudently and step by step. We are sure that the reform will proceed smoothly."

In the last three years, he stressed the Chinese economy had been developing in a proportionate and healthy way. The simultaneous development of agriculture, light industry, basic industries including energy, heavy industry and building materials, was unprecedented after the founding of the People's Republic in 1949. The growth rate of industry last year reached 11 percent, and this year it was expected to be 12 percent, he went on. During the Seventh Five-Year Plan (1986-90), the growth rate would not be lower than seven percent. "We are now more confident of fulfilling the national economic development plan," he said.

Talking about Sino-U.S. economic and trade relations, Premier Zhao said that economic cooperation and trade relations between China and the U.S. were an important part of the Sino-U.S. relations. Economic and political relations could promote each other, he said, and a smooth development of economic and trade relations could help a steady development of political relations between the two countries.

The premier expressed the hope that the people of U.S. economic and law circles would contribute to the development of Sino-U.S. economic, technical and trade relations as well as the political relations between the two countries.

Vance thanked Zhao for his introduction and said that they would work for the expansion of Sino-U.S. economic and technical cooperation and the development of trade relations.

The meeting took place in the Great Hall of the People this afternoon. The delegation members, who are industrialists, bankers and lawyers, listened to the Chinese premier's 80-minute talks with great interest. Present at the meeting were Bi Jilong, under secretary general of the United Nations; Gu Ming, deputy secretary general of the State Council and head of the Economic Legislation Research Center under the State Council; Han Boping, vice-mayor of Beijing, and leading members of the Chinese Economic, Trade and Law Departments. Earlier this afternoon, Chen Muhua, state councillor and minister of foreign economic relations and trade, met the delegation. She announced that China would sponsor an international symposium on trade laws next year.

Gu Mu Hosts Dinner

OW131755 Beijing XINHUA in English 1458 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- State Councillor Gu Mu gave a dinner in honor of a U.S. economic law delegation led by former Secretary of State Cyrus Vance. Vance and the delegation came to China to attend the conferences on foreign investment in China held in Shanghai and Dalian respectively.

GARN'S SENATE DELEGATION GIVES RETURN BANQUET

OW132155 Beijing XINHUA Domestic Service in Chinese 1633 GMT 12 Nov 84

[Text] Beijing, 12 Nov (XINHUA) -- The delegation from the U.S. Senate Banking, Housing and Urban Affairs Committee, led by committee Chairman Jake Garn, gave a return banquet at the Changcheng Hotel this evening.

Attending the banquet by invitation were Wang Renzhong, vice chairman of the NPC Standing Committee; Wang Bingqian, state councillor and minister of finance; and Ye Lin and Gu Gengyu, vice chairmen of the NPC Financial and Economic Committee.

In their toasts, both Garn and Wang Renzhong pledged to work hard to promote the friendship between the two countries and the exchanges between the governing bodies of the two countries. U.S. Ambassador to China Arthur Hummel and Mrs. Hummel were present at the banquet.

SAN FRANCISCO MAYOR, DELEGATION MEET LEADERS

Wu Xueqian Hosts Luncheon

OW090820 Beijing XINHUA in English 0738 GMT 9 Nov 84

[Text] Beijing, November 9 (XINHUA) -- State Councillor and Foreign Minister Wu Xueqian hosted a luncheon here today in honor of San Francisco Mayor Dianne Feinstein. Mrs. Feinstein, on her third visit to China, arrived yesterday on her way to Shanghai, sister city of San Francisco. They are expected to work out a program for exchanges between the two cities in 1985.

Chen Muhua Meets Delegates

OW110756 Beijing XINHUA in English 0630 GMT 11 Nov 84

[Text] Beijing, November 11 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, met here this morning an American delegation from San Francisco led by Mayor Dianne Feinstein.

FANG YI MEETS RETIRED U.S. PROFESSOR 12 NOV

OW121404 Beijing XINHUA in English 1254 GMT 12 Nov 84

[Text] Beijing, November 12 (XINHUA) -- Chinese State Councillor Fang Yi praised U.S. scholar M.C. Niu for having made prolonged, unremitting efforts to develop the Sino-U.S. scientific exchange at a meeting with him and his wife P.Y. Chang at the Great Hall of the People here this evening. Fang Yi gave a dinner in their honor after the meeting.

For the last 12 years, Niu who is a retired professor of the U.S. Temple University, had spent half a year in China annually to conduct joint researches with the Chinese Academy of Sciences in using biotechnology to change genetic characteristics. This year, he came here in late May and is scheduled to return home at the end of the year.

WANG BINGQIAN MEETS U.S. BLACK MAYORS DELEGATION

OW131347 Beijing XINHUA in English 1250 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- State Councillor and Minister of Finance Wang Bingqian met here this afternoon with a group of black mayors from the United States led by Unita Blackwell. Wang briefed the visitors on China's economic development and its policy of opening to the outside world. Liu Gengyin, vice-president of the Chinese People's Association for Friendship With Foreign Countries, was present at the meeting.

The group, sent by the American Conference of Black Mayors, came to China at the invitation of the Chinese Friendship Association.

Blackwell, a woman mayor in Mississippi, is former president of the U.S.-China People's Friendship Association. The American Conference of Black Mayors, an organization aimed at providing black mayors in the states with managerial and technical skills and promoting international understanding and friendship, is composed of the majority of black mayors in the country. Johnny Ford, past president of the conference, is also here with the group.

VICE PREMIER TIAN JIYUN MEETS WITH BANKERS

OW131231 Beijing XINHUA in English 1141 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- Vice-Premier Tian Jiyun met William H. Draper, chairman of the Board of Directors and president of the Export-Import Bank of the United States, and his party here this afternoon. Tian briefed the visitors on China's economic policy of opening to the outside world. He said that foreign entrepreneurs were welcome to invest in China and he hoped for increased financial cooperation between Chinese and U.S. organizations. Draper said the during his visit he had witnessed great changes in Beijing. He expressed the hope that the economic contacts and cooperation between the two countries would be strengthened in the course of China's development.

DENG LIQUN MEETS WITH BUSINESSMEN 9 NOV

OW121117 Beijing XINHUA Domestic Service in Chinese 1654 GMT 9 Nov 84

[Text] Beijing, 9 Nov (XINHUA) -- Deng Liqun, member of the Secretariat and director of the Propaganda Department of the CPC Central Committee, met and had a cordial and friendly conversation with (Zhang Jimin), president of the (Hua Sheng) Mass Communications Company of San Francisco in the United States, at the Great Hall of the People this afternoon. Present at the meeting were Liao Hui, director of the State Council's Overseas Chinese Affairs Office, and Jin Zhao, advisor to the Ministry of Radio and Television.

VICTIMS OF 1 NOV HELICOPTER CRASH IDENTIFIED

OW140936 Beijing XINHUA in English 0910 GMT 14 Nov 84

[Text] Beijing, November 14 (XINHUA) -- All the five victims, three Chinese and two Americans, of a helicopter crash early this month in the South China Sea have been identified, the Beijing office of the China Ocean Helicopter Corporation said here today.

The victims were Christopher Young (pilot), Kaminsh Edward Carroll (engineer), Niu Yanping (training pilot), Xiao Deya (geologist) and Ma Zhifeng (interpreter). A helicopter leased by the Pennzoil Far East Ltd. of the United States for its drilling operations in the Beibu Gulf of the South China Sea crashed on November 1 and all the five people on board, three Chinese and two Americans, were killed instantly. Their bodies were soon recovered. The bodies of the Chinese were cremated and those of the Americans have been turned over to the U.S. side.

A spokesman for the Beijing office of the Chinese helicopter corporation said that the wreckage of the chopper had been salvaged but three of the four rotor blades and one of the two engines (left one) were still missing. He said that the helicopter, S-76, 27422, was leased by the Pennzoil Company from the China Ocean Helicopter Corporation which leased it from the Petroleum Helicopter Inc. (PHI) of the United States. The plane was manufactured by the Sikorsky Aircraft Division of the United Technologies Corporation.

When it was found, the spokesman said, the body of the helicopter was basically complete except for a hole at the top where the engine was installed. The black box in the helicopter, which was also found, will be turned over to the appropriate authorities in the United States for studying the cause of the crash.

The spokesman quoted eyewitnesses on the rig of the Pennzoil Company as saying that they saw the helicopter plunge into the sea with a terrific noise. They also saw a rotor blade and several other things fly off and then fall into the sea. This was followed by another bang which might have been the explosion of the left engine, eyewitnesses said. The S-76 helicopter carried people to the Pennzoil drilling rig in the Beibu Gulf of the South China Sea at 11:18 on November 1, and took off again six minutes later, carrying with it more than 1,000 pounds of materials. It crashed just one minute later about 150 meters off the Pennzoil drilling rig, where the water was 20 meters deep.

The Chinese Government and relevant departments were very much concerned about the crash and ordered a 17-member team to fly to Zhanjiang and help investigate the accident. The team is composed of people from the China Ocean Helicopter Corporation, the Civil Aviation Administration of China and the Chinese People's Insurance Company.

CIA REPORT RECOMMENDS PUNISHMENT OF OFFICIALS

OW110101 Beijing XINHUA in English 0031 GMT 11 Nov 84

[Text] Washington, November 10 (XINHUA) -- The U.S. CIA Inspector General's Office has recommended punishment of several agency officials for their role in producing a manual last fall advocating political assassination in Nicaragua. It is disclosed here today that the inspector general's report delivered to the House and Senate Intelligence Committees yesterday recommended "significant" disciplinary action against less than 10 CIA employees said to be involved in producing, approving and distributing the 90-page manual. Some medium-rank CIA officials were included.

The report was submitted at the request of U.S. President Ronald Reagan after the CIA manual was disclosed and caused an uproar in the country. Some Congressmen demanded the dismissal of CIA Director William Casey. President Reagan told a news conference after his reelection this week however that the furor over the matter was "much ado about nothing."

Reagan Agrees

OW131841 Beijing XINHUA Domestic Service in Chinese 0816 GMT 12 Nov 84

[Text] Beijing, 12 Nov (XINHUA) -- Washington, 11 Nov -- U.S. White House spokesman Speakes announced in a written statement on 10 November that President Reagan agreed to take disciplinary action against operatives of the Central Intelligence Agency who incited the antigovernment army in Nicaragua to engage in political assassinations.

After the CIA manual case was exposed, Reagan, under the pressure of public opinion, ordered its investigation. According to Speakes, a three-member investigation group appointed by the President has conducted detailed and extensive inquiries into the case. The investigation shows that CIA personnel have not violated the U.S. Constitution and the President's instructions. However, the statement says that some low level personnel made mistakes of poor judgment and lapses of oversight and they will be punished or suspended from their duties for these mistakes.

MEMORANDUM TO ESTABLISH CULTURAL EXCHANGE CENTER

OW101941 Beijing XINHUA in English 1853 GMT 10 Nov 84

[Text] Shanghai, November 10 (XINHUA) -- A memorandum on establishing the "Golden Bridge" Cultural Exchange Center in Beijing was signed between China and the United States here tonight. The center is to be set up jointly by China's Soong Ching Ling Foundation, the Chinese People's Association for Friendship With Foreign Countries and the U.S. Ambassador Foundation.

The signatories to the document were Gao Dengbang, Zhou Erfu and Ellis la Ravia, vice-presidents of the three organizations respectively. Shanghai Mayor Wang Daohan and President of the U.S. Ambassador Foundation Herbert W. Armstrong attended the signing ceremony. The projected center will serve to enhance friendship and contacts between the Chinese and U.S. children.

ENTREPRENEUR PRAISES MODERNIZATION EFFORT

OW101150 Beijing XINHUA in English 1131 GMT 10 Nov 84

[Text] Beijing, November 10 (XINHUA) -- Along with the open-door policy now in effect in China, there has been an increasing exchange of information and ideas between the United States and China, said an American entrepreneur and scientist here today. Allen Prestegard, president of United Technologies Communications Company of California, said that the exchange is taking place in two ways and will benefit both countries.

China and the United States have their own problems, he said, adding that the exchange will help find a solution to them. China is interested in America's advanced science and technology, while the Americans can learn from China its human values and the best qualities of its people such as the Chinese concept of the family, their honesty and their reputation for keeping commitments and being united in dealing with difficulties, Prestegard said.

Also an expert on telecommunications, Prestegard is attending a Beijing seminar on China's modernization and its impact on the international community, sponsored by the Chinese People's Institute of Foreign Affairs and the Aspen Institute for Humanistic Studies of the U.S.

During a week's stay in China, he said, he was impressed by the optimism, enthusiasm, positive attitude and energy of the Chinese Government, business and academic leaders he met. "This makes me feel that China's policy for modernization will be very successful," he said. From an economic point of view, he explained, China's modernization program will strengthen its position as the largest potential market in the world, with more and more people able to buy goods and services to enhance their lives. He stressed that it was important for China to allow foreigners to do business in China. Equally important, he said, was that China should look for business partners on a long-term basis.

Joint ventures are a good way to establish joint research in development, manufacturing and marketing on a long-term basis and will benefit both Chinese and foreign partners. In the social aspect, he said, China's open-door policy will work strongly for the furtherance of mutual understanding. This means the policy is conducive to peace throughout the world because better understanding will lead to less conflict, Prestegard said.

WANG ZHEN MEETS JAPANESE BANKER, DELEGATION

OW140807 Beijing XINHUA in English 0721 GMT 14 Nov 84

[Text] Beijing, November 14 (XINHUA) -- Wang Zhen, honorary president of the China-Japan Friendship Association, met and had a friendly talk with Kou Komatsu, president of the Japanese Sumitomo Bank, here this morning. After the meeting, Wang Zhen gave a dinner for the Japanese guests. The guests arrived in Beijing on November 11 for a friendship visit to China.

WANG ZHEN, YANG BO MEET JAPANESE DELEGATION

OW131706 Beijing XINHUA in English 1624 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- Wang Zhen, honorary president of the China-Japan Friendship Association, and Yang Bo, minister of light industry, met and feted here this afternoon a delegation from the Japanese Placo Co. Ltd. led by its president, Taijilo Goto.

WAN LI MEETS JAPANESE SHIPBUILDING GROUP

OW131131 Beijing XINHUA in English 1030 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- Vice-Premier Wan Li met and had a cordial talk with a delegation from the Japan Foundation for Shipbuilding Advancement led by its chairman, Ryoichi Sasakawa, here this afternoon.

TIAN JIYUN MEETS JAPANESE FINANCIAL DATA GROUP

OW131345 Beijing XINHUA in English 1248 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- Chinese Vice-Premier Tian Jiyun met and feted a delegation from the International Financial Information Center of Japan here this evening. The delegation led by Kiichi Watanabe, the center's director and advisor to the Ministry of Finance, arrived yesterday as guests of the State Economic Commission to explore possibilities of Sino-Japanese economic cooperation. The Japanese will also tour northeast, east and south China.

PRC BROADCASTING GROUP MEETS JAPAN'S NAKASONE

OW131807 Beijing XINHUA in English 1558 GMT 13 Nov 84

[Text] Tokyo, November 13 (XINHJA) -- Japanese Prime Minister Yasuhiro Nakasone said here today that there was no conflicting issue between Japan and China and pledged to do his utmost in furtherance of the Sino-Japanese friendship. He said this when meeting with the Chinese broadcasting and television delegation headed by Vice-Minister Xie Wenqing of the Ministry of Broadcast and Television.

Nakasone said the founding of the 21st Century Committee for Japan-China Friendship earlier this year had laid a solid foundation for the continuous development of the friendly ties between the two countries. "The area for cooperation between the two countries is extremely vast and such cooperation is of great significance to peace in Asia and the world at large," he said.

The television workers of the two countries have been charged with the heavy task of promoting these friendly ties which are mutually beneficial and should pool their efforts to this end, he said.

In the morning, the Chinese delegation called on Vice-President Susumu Nakaido of the Liberal Democratic Party. The Chinese delegation arrived here on October 30 to attend the 20th annual meeting of the Asian-Pacific Broadcasting Union.

NAKASONE MEETS CHINESE FILM DELEGATION

OW091306 Beijing XINHUA in English 1302 GMT 9 Nov 84

[Text] Tokyo, November 9 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone today met a Chinese film delegation that has come to attend the sixth Chinese film festival in Japan. Nakasone expressed thanks to the Chinese Government for inviting 3,000 Japanese youths to China to participate in China's National Day celebrations. He also said that he was confident that the Japan-China friendship will grow further in the 21st century and beyond.

Chinese delegation leader Ding Qiao congratulated Nakasone on his second term as prime minister of Japan.

The delegation presented Nakasone an album of paintings by celebrated contemporary Chinese painters. The Japanese prime minister also had pictures taken with the Chinese delegation.

NAKASONE GREETS YOUTH DELEGATION 13 NOV

OW131544 Beijing XINHUA in English 1436 GMT 13 Nov 84

[Text] Tokyo, November 13 (XINHUA) -- The Chinese youth of today will be "the masters of China in the 21st century," Japanese Prime Minister Yasuhiro Nakasone told a visiting Chinese youth delegation headed by He Guangwei, vice chairman of the All-China Youth Federation. He urged the 20-member delegation which is in Japan for a two-week visit at his invitation to further expand friendly exchanges between the youth of China and Japan and to work hard for the two countries' friendly ties into the next century.

He told the group that the recent visit of 3,000 Japanese youth to China was "an event of great significance." They had found the eyes of Chinese youth full of hope, a reflection that the Chinese people are working with their government towards a great objective, he said. Commenting on the continuous development of the friendly ties between the two countries marked by the establishment of the 21st Century Committee earlier this year, Nakasone praised the four principles guiding the Sino-Japanese friendship as one "that has never been seen among other countries in the world."

LI PENG MEETS WITH JAPANESE INDUSTRIALISTS

OW090831 Beijing XINHUA Domestic Service in Chinese 1657 GMT 7 Nov 84

[Text] Beijing. 7 Nov (XINHUA) -- Li Peng, vice premier of the State Council, met Hasegawa Kenji, president of the Kawasaki Heavy Industry Corporation, Japan, and his party this afternoon at the Great Hall of the People.

I. 14 Nov 84

B 3

PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

Wang Yaoting, chairman of the China Council for Promotion of International Trade; Qian Yongchang, minister of communications; and Shang Zhigong, vice minister of railways, attended the meeting.

BANK OF TOKYO OPENS OFFICE IN GUANGZHOU

OW101823 Beijing XINHUA in English 1455 GMT 10 Nov 84

[Text] Guangzhou, November 10 (XINHUA) -- A permanent office of the Bank of Tokyo was opened here today, bringing the number of the bank's offices in China to three. The other two are in Beijing and Shanghai. So far, 11 foreign banks have set up offices in Guangzhou, capital of Guangdong Province, which leads the nation in operating the open policy aimed at attracting foreign funds and technology.

SUN YAT-SEN MEMORIAL HOUSE OPENS IN KOBE

OW121812 Beijing XINHUA in English 1641 GMT 12 Nov 84

[Text] Kobe, Japan, November 12 (XINHUA) -- A memorial house honoring Dr. Sun Yat-sen, leader of China's 1911 revolution which overthrew the Qing Dynasty (1644-1911), opened to the public here today. The opening coincides with the 118th birth anniversary of Dr. Sun, who was a great revolutionary in modern history and the pioneer of China's revolution.

The memorial house was formerly a villa owned by Wu Jintang, a wealthy Overseas Chinese.

Photographs of Dr Sun taken with friends in March, 1913, during one of his visits to the villa were on display. Dr. Sun's granddaughter, Pearl Suiying Sun Lin, and Wen Chi, consul-general to Osaka City, were among the 100 guests at the opening ceremony which also included noted Japanese and Chinese-Japanese Li Wanzhi, Chen Deren, Tokitada Sakai, Yoshimi Furui, Uda Yisama and Yamaguchi Yichilo.

WOMEN'S FEDERATION DELEGATION VISITS DPRK

OW111347 Beijing XINHUA in English 1314 GMT 11 Nov 84

[Text] Pyongyang, November 11 (XINHUA) -- Kim Song-ae, chairman of the Central Committee of the Korean Democratic Women's Union, met here today with the visiting delegation of the All-China Women's Federation led by its Vice-Chairman Zhang Guoying.

During the meeting, Kim Song-ae said the visit would contribute to promoting the friendship between the women of Korea and China. The Chinese delegation arrived here on November 9 at the invitation of the Korean Democratic Women's Union.

GU MU MEETS DPRK FRIENDSHIP DELEGATION

OW121306 Beijing XINHUA in English 1233 GMT 12 Nov 84

[Text] Beijing, November 12 (XINHUA) -- Chinese State Councillor Gu Mu met here this afternoon a Korean friendship delegation led by Yi Hyo-hyok, director of the Second Secretariat under the Administration Council at the Great Hall of the People. The delegation arrived here on October 30. It visited Guangzhou, Shenzhen, Shanghai and Nanjing and will leave for home tomorrow.

REPORTAGE ON LI XIANNIAN'S TRIP TO EUROPE

RENMIN RIBAO Editorial

HK100818 Beijing RENMIN RIBAO in Chinese 10 Nov 84 p 1

[Editorial: "A Major Event in the History of Relations Between China and Southern Europe"]

[Text] President Li Xiannian, taking with him the warm and friendly feelings of the Chinese people for the peoples of southern Europe, left Beijing yesterday for his state visit, made by invitation, to Spain, Portugal, and Malta. This is the first time a Chinese president has visited these three southern European countries; it is a major event in the history of relations between China and southern Europe. President Li Xiannian's visit will be of major significance in promoting mutual understanding and friendship between China and the three southern European countries, developing ties of friendship and cooperation, and preserving peace in Europe and the world.

Although China's social system is different from that in these countries and our country is very distant from them, excellent relations of friendship and cooperation have already been established between us. Since China established diplomatic relations with these three countries in the 1970's, on the basis of the Five Principles of Peaceful Coexistence, there has been a continual increase in the number of high-level bilateral meetings, at which both sides have held friendly and wide-ranging consultations on international affairs, bilateral relations, and so on. There has also been a conspicuous development in economic, scientific and technological, and cultural exchange and cooperation. The invitation from the three countries to President Li Xiannian indicates that these relations of cooperation are now developing further.

These three southern European countries occupy an important strategic position. They lie on the southern flank of Europe, and also have close ties with the countries of Latin America, Africa, and the Arab states. Their influence in current world developments cannot be neglected. The current world situation is far from tranquil, and confrontation in Europe, storms in the Mediterranean, and the roar of guns in the Middle East often arouse apprehension. The just demands of the southern European peoples for the great powers to reduce armaments and for preserving national independence, sovereignty, peace, and security in the entire Mediterranean region have gained broad support and sympathy from the world's peace-loving peoples.

China and the three southern European countries have similar positions and desires on many international issues. China pursues a foreign policy of acting independently and keeping the initiative in its own hands and of preserving peace. China's modernization drive needs a peaceful international environment. We hope to coexist peacefully with the world's peoples and promote equal and mutually beneficial cooperation. It is China's unswerving national policy to oppose war and preserve peace and to step up cooperation with the countries of the world. Although the circumstances in Spain, Portugal, and Malta differ, they are all exerting themselves in striving for relaxation and disarmament; they all aspire to preserve peace, and demand development of their economies. We and they have many points in common. China will, as always, support the moves of the countries of southern Europe to preserve peace, and support the reasonable idea that Mediterranean affairs should be settled by the Mediterranean maritime states themselves. China greatly appreciates efforts made by the three southern European countries to promote North-South dialogue and cooperation and to develop friendly relations with Latin America, and other countries of the Third World. President Li Xiannian's opportunity to exchange views with the leaders of the three countries on international matters of common concern and to deepen mutual understanding is bound to have a positive effect on easing international tensions and promoting development of peace.

President Li Xiannian's visit to southern Europe is another important Chinese diplomatic move following Premier Zhao Ziyang's visit to Western Europe during the summer. China's policy of opening up to the world includes the whole world. China regards Western Europe as a partner in friendship and cooperation; we attach importance to relations not only with the major countries of Western Europe but also with the medium and small countries there. We believe that as a result of President Li Xiannian's visit, China's relations of friendship and cooperation with these three southern European countries will become still closer and more fruitful.

We look forward to complete success for President Li Xiannian's visit to southern Europe.

Text of Li Xiannian's Toast

OW140725 Beijing XINHUA in English 1638 GMT 14 Nov 84

[Text] Madrid, November 13 (XINHUA) -- Following is the full text of the toast by the Chinese President Li Xiannian at the state banquet given by King Carlos here yesterday. Your Majesties King Juan Carlos and Queen Sofia, ladies and gentlemen:

From the very beginning of our current visit to your country, we have been accorded warm welcome and cordial reception. Tonight, your majesties are hosting this grand state banquet for us. Please allow me, on behalf of my colleagues and in the name of myself and my wife, to express our heartfelt thanks to your majesties, and to the Spanish Government and friends from various circles.

This is my first visit to Spain and to a West European country. I came here with the sincere desire to enhance our mutual understanding, strengthen mutually beneficial cooperation, help ease international tension and maintain world peace. I believe that this is not only the desire of the Chinese people, but also the shared desire of the people of Spain and other West European countries.

There is a long history of contacts between the Spanish and the Chinese peoples. The Chinese people have always had great admiration for Spain, the homeland of such brilliant writers and artists as Cervantes and Picasso, for its unique culture and for the courageous, industrious and intelligent Spanish people. The establishment of diplomatic relations between China and Spain in 1973 opened a new chapter in the annals of relations between our two countries. The traditional friendship between our two peoples has since been strengthened and the amicable cooperation between our two countries developed. In this connection, I would like to mention in particular your majesties' successful visit to China in 1978. Your friendship for the Chinese people and enthusiasm for promoting amicable ties between our two countries left with the Chinese people a very deep impression and pleasant memory.

I fully share the king's expressed desire: Sino-Spanish friendly relations should be constantly enriched with new substance. To develop our bilateral cooperation is also an unswerving policy of China. There is no conflict of fundamental interest nor any dispute between us. We both seek development and desire peace. Faced with common problems, it is easy for us to understand each other. There are vast areas for us to learn from each other's strong points to make up for our own deficiencies, supplement each other's needs and carry out mutually beneficial cooperation.

I have full confidence in the future of Sino-Spanish relations. I am also deeply convinced that through the efforts of both sides, the friendship and cooperation between our two countries will surely advance to a higher level.

Your majesties, ladies and gentlemen:

People of all countries are very much concerned over the future of the world. The rivalry for world hegemony and nuclear arms race between the two superpowers pose a grave threat to world peace and the security of all countries. But we are relieved to see that a growing number of countries, big, medium-sized or small, nuclear or non-nuclear, aligned or non-aligned, are determined to take their destiny into their own hands and play their part in the drive to halt the arms race, ease international tension and maintain world peace. This fact cannot but put a restraint on the superpowers. The factors making for the prevention of another world war are constantly growing. We believe that so long as all the peace-loving countries and peoples get united and work together, it is possible to prevent a new world war and maintain world peace.

China needs peace. Only in a peaceful environment can China carry out its modernization programme smoothly. China's foreign policy, to put it in a nutshell, is opposing hegemonism and maintaining world peace. We seek to live in peace with all countries on the basis of the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit. We also hope to develop friendship and cooperation with all countries on this basis. We want to develop our friendly relations and cooperation with the numerous Third World countries as well as European countries. Guided by the general policy of opposition to hegemonism and maintaining world peace, we also wish to improve relations with the United States and the Soviet Union through removing obstacles and iron out differences. We hold that all the questions left over from history and international disputes should be settled in a reasonable way through peaceful negotiations without resorting to the use or threat of force.

The friendly talks held between the Governments of China and the United Kingdom on the question of Hong Kong in accordance with far-sighted political decision and the satisfactory agreement thus reached offer new experiences in this respect.

To seek a lasting and stable and peaceful international environment, all forces of peace in the world must intensify cooperation in their common endeavour. China is a force of peace. Europe, in our opinion, is also a force of peace. Because of its important position in the world, Europe has a significant influence on the overall international situation. We have always wished to see a united and strong Europe dedicated to peace. We support the common desire of the European people for easing East-West tension and their efforts to increase contacts and improve relations between the East and West European countries. We also wish to see relaxation of relations between the United States and the Soviet Union. It is our hope that both the United States and the Soviet Union will, in compliance with the reasonable demand of all peoples, halt their deployment of new nuclear weapons in Europe and other parts of the world and return to the negotiating table to seek ways to the cessation of arms race.

We have noted with pleasure that Spain is actively promoting the unity of Europe, opposing arms race, seeking relaxation of tension in Europe and the Mediterranean region, favouring North-South dialogue and cooperation, endeavouring to develop friendly relations with Latin America and other Third World countries. Spain is playing an ever growing role in international affairs.

Your majesties, ladies and gentlemen:

China is now in a very important historical period. The Chinese people are striving for the socialist modernization of the country. We have taken two major decisions of strategic importance: to invigorate the domestic economy through restructuring and to develop international cooperation by adopting a policy of opening to the outside world. Our economic restructuring scored great achievements first in the rural areas. Not long ago we decided to shift the focus of the economic restructuring to the urban economy. It is a comprehensive restructuring extending to industry, commerce and all other trades. It can be anticipated that this overall economic restructuring with the focus on the urban economy will yield great results in three to five years' time. We are deeply convinced that the implementation of measures of restructuring will create more favourable conditions for our economic and technical cooperation with foreign countries.

China attaches much importance to the expansion of its economic and technical cooperation with all the West European countries. Since the Chinese economy and that of Western Europe have their own strong points and need to complement each other, we can well become partners in cooperation rather than rivals in competition. The existing sound political relations between China and Spain as well as other West European countries provide favourable conditions for the development of mutually beneficial economic relations. China is not only eager to strengthen its cooperation with Western Europe at present but also desires long-term cooperation in the future. We should not just think of this century but also look to the 21st century. It is of far-reaching significance for an independent China and an independent Europe to develop lasting and stable friendship and cooperation which are not only a strong factor making for the maintenance of world peace and stability but also a powerful driving force for the common prosperity of all countries' economies.

Your majesties, ladies and gentlemen:

My current friendly visit to Spain has made a good beginning. I feel strongly the friendship and goodwill of your government and public figures for the Chinese people. I am convinced that my present mission to seek friendship, cooperation and peace will be crowned with success.

May I propose a toast to the prosperity of Spain and the happiness of its people, to the further development of Sino-Spanish friendship and cooperation, to the health of his majesty King Juan Carlos and her majesty Queen Sofia, to the health of his excellency Prime Minister Gonzalez and Mrs. Gonzalez, to the health of all present, and to world peace!

Madrid Mayor Gives Key to City

OW131946 Beijing XINHUA in English 1856 GMT 13 Nov 84

[Text] Madrid, November 13 (XINHUA) -- Visiting Chinese President Li Xiannian was accorded a warm welcome at the City Hall here this morning and was presented a golden key to the city of Madrid. Mayor of Madrid Enrique Tierno Galvan when presenting the key said that the key carries his "feeling of great reverence for the great representative of the people of a friendly country."

President Li and his wife Lin Jiamei who arrived here yesterday for a four-day visit, were greeted by the mayor and his wife at the gate of the City Hall. Then, President Li, in the company of the mayor, reviewed an honor guard of spear-armed soldiers.

Speaking at the ceremony, Galvan, who had visited China not long ago, paid high tribute to China's ancient civilization as well as the great enthusiasm of the Chinese people in modernizing their country. "China represents the future," he said. "Spain and China and the two capitals, Madrid and Beijing, are separated by a long distance, but the hearts of the Spanish and Chinese peoples beat in harmony," he said. Galvan said that his trip to China "has left me a deep impression."

In his speech, President Li praised highly the "great creativeness of the Spanish people" in building the city and their country and thanked the mayor for the hospitality accorded him by the city and its people. He expressed the hope that "the Chinese and Spanish peoples would, through joint efforts, build a friendship bridge that can weather storms to link the two sides of the Euro-Asian Continent."

At the end of the ceremony, Li presented the mayor a replica of tri-colored glazed pottery of China's Tang Dynasty as a gift. Before attending the ceremony at the City Hall, Li and his wife visited with great interest the Prado National Museum in the city's center. Established in the 18th century, the museum contains one of the greatest painting collections in Europe, including those by famous Spanish and Italian painters of the 15th to 17th century. While touring the museum, the Chinese leader was also welcomed by Spanish visitors as well as tourists from Japan, Canada and the United States. The visitors clapped or waved their hands at President Li when they saw him. Li walked forward and shook hands with some of them. Two American tourists who happened to be there told XINHUA happily that it is "an unexpected privilege" for them to meet the Chinese leader.

Chinese State Councillor and Foreign Minister Wu Xueqian and other senior members of Li's entourage accompanied Li on those two occasions. At noon, Queen Sofia accompanied Lin Jiamei on a visit to the comprehensive craft factory. The queen showed Lin round the workshops of tapestry, carpet and furniture. They were warmly welcomed by the workers there.

Li, Wu Speak With Counterparts

OW132153 Beijing XINHUA in English 2101 GMT 13 Nov 84

[Text] Madrid, November 13 (XINHUA) -- Chinese President Li Xiannian and Spanish Prime Minister Felipe Gonzalez today held talks on bilateral relations and international issues of common concern. In the talks, Li noted that China and Spain had enjoyed good relations, according to informed sources.

Gonzalez said he hoped the Sino-Spanish relations would further develop.

Both expressed their satisfaction with the development of relations between the two countries.

Expounding Spain's foreign policy, Gonzalez said the guideline of the policy is to work for peace and cooperation with the people of all countries, particularly with Latin American countries and the Arab countries around the Mediterranean. Noting that China has been dedicated to the relaxation of tension and development, he spoke highly of China's role and influence in the international community.

Li Xiannian said that China appreciated Spain's foreign policy and acquainted the prime minister with China's independent foreign policy of peace. He stressed China's consistent position that its relations with all other countries must be established and developed on the basis of the Five Principles of Peaceful Coexistence. He expressed the hope that the two superpowers would enter into negotiations in earnest and ease their relations.

Chinese State Councillor and Foreign Minister Wu Xueqian and Spanish Foreign Minister Fernando Moran took part in the talks. After the talks, Gonzalez and his wife hosted a banquet in honor of President Li and his wife.

Madrid Reportage

For Madrid coverage of the visit of Li Xiannian to Spain and his meetings with Spanish King Don Juan Carlos and Prime Minister Felipe Gonzalez, see the Spain section of the 13 November Western Europe DAILY REPORT and subsequent issues.

FRENCH PRESIDENT'S WIFE PAYS VISIT TO BEIJING

9 Nov Arrival

OW091104 Beijing XINHUA in English 0900 GMT 9 Nov 84

[Text] Beijing, November 9 (XINHUA) -- Mme Danielle Mitterrand, wife of French President Mitterrand, and her party arrived here by air this afternoon on a goodwill visit to China at the invitation of the Chinese Government.

She was greeted at the airport by Vice-Minister of Foreign Affairs Zhou Nan and his wife, and French Ambassador to China Charles Malo and Mrs Malo. While in Beijing, Mme Mitterrand will meet Chinese leaders and then go to tour Xian, Shanghai and Suzhou.

Zhao Ziyang, Mrs Mitterrand Meet

OW101659 Beijing XINHUA in English 1628 GMT 10 Nov 84

[Text] Beijing, November 10 (XINHUA) -- China hopes to see that its trade with Europe will take up a greater share of its foreign trade and that France and other West European countries will move to the leading position in carrying out economic and technical cooperation and joint-management production with China, Chinese Premier Zhao Ziyang said here tonight. He was speaking at a meeting with Mme Danielle Mitterrand, wife of French President Francois Mitterrand, at the Diaoyutai State Guesthouse.

Referring to China's policy of opening to the outside world, Zhao said that China had set up four special economic zones and opened 14 coastal cities more fully. He hopes French economic, business and financial leaders would invest in these areas and undertake joint ventures.

Mme Mitterrand said her husband was very interested in what is happening in China, and the open policy in particular. She said she had brought the greetings of President Mitterrand and the French people to Chinese leaders and people.

Zhao said that the reform of China's urban economy should be almost complete in five years. The premier expressed his confidence in this reform. He said. "I have met President Mitterrand on three occasions, each meeting contributing to enhancing mutual understanding and friendship between our two countries and two peoples, and to expanding friendly co-operation."

Tonight's meeting was followed by a banquet given by Zhao Ziyang for Mme Mitterrand. Chinese officials Kang Keqing, Qian Zhengying, Yao Guang and Zhou Nan, and French Ambassador to China Charles Malo were present at the meeting and banquet.

Return Banquet

OW111453 Beijing XINHUA in English 1443 GMT 11 Nov 84

[Text] Beijing, November 11 (XINHUA) -- Mme Danielle Mitterrand, wife of French President Francois Mitterrand, gave a return banquet here this evening at the residence of the French Ambassador to China.

Among those attending the banquet were Chinese Vice-Premier Tian Jiyuni; Minister of Water Resources and Electric Power Qian Zhengying; Vice-Ministers of Foreign Affairs Yao Guang and Zhou Nan. French ambassador to China Charles Malo and Mrs Malo were also present.

Beijing Tea Party

OW111455 Beijing XINHUA in English 1445 GMT 11 Nov 84

[Text] Beijing, November 11 (XINHUA) -- Kang Keqing, president of the All-China Women's Federation, gave a tea party here this afternoon in honor of Mme Danielle Mitterrand wife of French President Francois Mitterrand, at the Great Hall of the People. They had a cordial conversation.

Present at the party were Minister of Water Resources and Electric Power Qian Zhengying, Vice-Presidents of the All-China Women's Federation Guo Liwen and Huang Ganying, as well as French Ambassador to China Charles Malo and Mrs Malo.

At noon today, Mme Mitterrand hosted a banquet for well-known figures of the Chinese intellectual and cultural circles including Vice-President of the Chinese Academy of Social Sciences Qian Zhongshu, Vice-Minister of Foreign Affairs Zhou Nan, painter Wu Zuoren, and writers Ai Qing, Liu Binyan and Yao Xueyin.

Yesterday afternoon, Mme Mitterrand met with Deng Pufang, deputy director-in-chief of the China Welfare Fund for the Handicapped, and Wang Guangmei, a Standing Committee member of the National Committee of the Chinese People's Political Consultative Conference and widow of the late Chinese President Liu Shaoqi.

Mme Mitterrand and her party will leave Beijing tomorrow to tour other parts of China.

IRAQI BA'TH PARTY DELEGATION VISITS BEIJING

Talks With Hu Yaobang

OW121808 Beijing XINHUA in English 1550 GMT 12 Nov 84

[Text] Beijing, November 12 (XINHUA) -- Chinese Communist Party General Secretary Hu Yaobang today said China sincerely hoped that the two big nations of Iraq and Iran would keep friendly and harmonious and it had been always strict on a neutral position towards the Iran-Iraq war. Hu made this statement at a meeting with an Iraqi delegation from the Arab Ba'th Socialist Party led by Sa'd Qasim Hammudi, director of the foreign relations bureau of the national leadership at Zhongnanhai here today.

During a cordial conversation, the two sides expressed the desire to further the relations between the two parties.

Hammudi gave a brief account on the war. Hu said China had good relations with both Iraq and Iran. Hammudi spoke highly of China's neutral position towards the war. He said that his country held on to its position of restoring peace with Iran without preconditions. A just and eternal peace was beneficial to both countries, he said, adding that Iran was Iraq's neighboring country and that this geographical position could never change.

Hu said they hoped that all countries in the world would understand and support the two countries to adopt a conciliatory stand in solving the conflict. "This is the only correct position for all the third countries to adopt," Hu said.

Present at the meeting were head of the International Liaison Department of the CPC Central Committee Qian Liren and Iraqi Ambassador to China Rashid M.S. al-Rifai.

Qian Liren Hosts Fete

OW121225 Beijing XINHUA Domestic Service in Chinese 1707 GMT 9 Nov 84

[Text] Beijing, 9 Nov (XINHUA) -- Qian Liren, director of the International Liaison Department of the CPC Central Committee, gave a dinner at the Great Hall of the People this evening for a delegation of the Iraqi Ba'th Socialist Party led by Sa'd Qasim Hammudi, director of the foreign relations bureau.

Accompanying the guests at dinner were Deputy Director Li Shuzhen and adviser Zhang Xiangshan of the International Liaison Department of the CPC Central Committee and Iraqi Ambassador to China Rashid al-Rifai. The Iraqi Ba'th Socialist Party delegation arrived in Beijing today on a goodwill visit.

ZHAO ZIYANG HAILS OAU SUMMIT CONFERENCE

OW131005 Beijing XINHUA in English 0836 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- Chinese Premier Zhao Ziyang, in a message of greeting, said China will continue to stand by the African countries and people and firmly support their just cause.

Congratulating the convocation of the 20th summit conference of the Organization of African Unity (OAU), Zhao's message which dated November 10 wished the OAU members a successfull conclusion to their meeting.

The message said: "Since the founding of OAU, the vast number of African countries and people have upheld the principles of the OAU Charter, made significant contributions to the independence, liberation, unity, cooperation and development of African countries and worked unswervingly for maintaining world peace and promoting the establishment of the new international economic order, thus winning acclaim from the people of the world."

"With a global perspective in mind and the unyielding will, the African countries and people are today striving to maintain African unity, win complete liberation of the African Continent, safeguard their state sovereignty, reinvigorate their national economy and combat natural disasters. We sincerely wish that the current conference will continue to contribute to the unity, stability and prosperity of Africa," it added.

XI ZHONGXUN RETURNS FROM ALGERIA VISIT

Meets Party Leader

OW101231 Beijing XINHUA Domestic Service in Chinese 1008 GMT 8 Nov 84

[Text] Algiers, 7 Nov (XINHUA) -- Messaadia, member of the Political Bureau of the Algerian National Liberation Front and responsible person of the Permanent Secretariat of the National Liberation Front Central Committee, met with Xi Zhongxun, head of a Chinese party and government delegation, and members of his delegation on 7 November.

In a warm atmosphere, both sides introduced their experience in national construction and exchanged views on further strengthening cooperation between the two parties and countries. Messaadia said that the Algerian party and government pay high tribute to the friendship and cooperation between Algeria and China and highly praise China's stand on supporting the Third World and the just struggle of the Palestinian people.

Xi Zhongxun said that China and Algeria can learn from each other and help and support each other in their national construction.

Beijing Arrival

OW120724 Beijing XINHUA in English 0647 GMT 12 Nov 84

[Text] Beijing, November 12 (XINHUA) -- A Chinese party and government delegation led by Xi Zhongxun, member of the Political Bureau and Secretariat of the Central Committee of the Chinese Communist Party, returned here today after attending the celebrations of the 30th anniversary of the Algerian revolution. It was greeted at the airport by Hu Qili, member of the Secretariat of the CPC Central Committee, Tian Jiyun, vice-premier of the State Council, and others.

DENG LIQUN MEETS TUNISIAN TELEVISION OFFICIAL

OW101820 Beijing XINHUA in English 1453 GMT 10 Nov 84

[Text] Beijing, November 10 (XINHUA) -- Deng Liqun, member of the Secretariat of the Central Committee of the Chinese Communist Party, met Mahmoud Ben Moncef, director-general of Radiodiffusion Television Tunisienne, here today.

While in Beijing, Mahmoud Ben Moncef has held discussions with Ma Qingxiong, Chinese vice-minister of radio and television, on strengthening Sino-Tunisian cooperation in broadcasting.

The TV chief arrived here on November 8 and is scheduled to leave for home on November 14.

PENG CHONG RECEIVES NAMIBIAN DELEGATION 13 NOV

OW130859 Beijing XINHUA in English 0729 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- Peng Chong, vice-chairman of the National People's Congress Standing Committee, said today the Chinese people firmly support the Namibian people's just struggle. He said this at a meeting with a delegation from the National Union of Namibian Workers led by General Secretary John Otto in the Great Hall of the People here this morning.

"The Chinese people supported, are supporting and will always firmly support the Namibian people in their just struggle," Peng said. "We are convinced that the Namibian people will win final victory." Luo Gan, vice-president of the All-China Federation of Trade Unions, was present.

The delegation arrived here on November 1 for a friendship visit at the invitation of the Chinese federation. Several hundred students at the Institute of the Chinese Trade Union Movement held a meeting to welcome the delegation on November 5. Otto made a speech on the struggle of the Namibian workers and other people against the South African authorities and for national independence.

Li Shenglin, president of the institute, said at the meeting that the workers of China would, as always, extend firm support to the struggle of the Namibian people.

I. 14 Nov 84

CHINA
PRC NATIONAL AFFAIRS

K 1

NPC COMMITTEE ENDORSES DECLARATION ON HONG KONG

OW141042 Beijing XINHUA in English 1037 GMT 14 Nov 84

[**"NPC Standing Committee Endorses Sino-British Declaration" -- XINHUA headline**]

[Text] Beijing, November 14 (XINHUA) -- The eighth meeting of the National People's Congress Standing Committee today endorsed the joint declaration on Hong Kong initialled by the Chinese and British Governments in September.

The committee's resolution expressed satisfaction with the work the Chinese Government had done in settling the question of Hong Kong, as well as a report on the declaration given by State Councillor and Foreign Minister Wu Xueqian. After the joint declaration if formally signed later this year, the resolution said, it will be submitted to the Third Session of the Sixth NPC for examination and approval.

The Standing Committee also examined a bill on the declaration submitted by the State Council during the eighth meeting, which ended here today.

Today's meeting further approved the establishment of maritime courts in coastal port cities and China's acceding to the Paris Convention for the Protection of Industrial Property. The appointment and removal of a number of government officials were approved.

ZHENG TIANXIANG EXPLAINS MARITIME COURT BILL

OW111235 Beijing XINHUA Domestic Service in Chinese 1303 GMT 10 Nov 84

[Excerpts] Beijing, 10 Nov (XINHUA) -- Zheng Tianxiang, president of the Supreme People's Court, explained the draft decision on establishing maritime courts in coastal cities to the eighth session of the Sixth NPC Standing Committee this afternoon.

Speaking on the structure of maritime courts, Zheng Tianxiang said: Along with the rapid development of China's maritime transportation and foreign economic and trade undertakings in recent years, the number of maritime shipping and trading cases has increased. Many of these cases concern foreign nationals or entities. With the opening of the 14 coastal cities, such cases will further increase. Correctly and promptly handling such cases and exercising our judicial jurisdiction is crucial to safeguarding the legitimate interests of both Chinese and foreign enterprises, organizations, and individuals; to promoting the further development of China's maritime shipping and foreign economic and trade undertakings; and to ensuring the smooth implementation of our policy to enliven the domestic economy and open the country to the outside world. In view of the complicated nature and technicality of such maritime cases, and in accordance with the provisions of the PRC Constitution and the Organic Law for People's Courts of establishing special courts, it is proposed that maritime courts be established in major costal cities to deal with maritime shipping and trading cases. In accordance with the principle of efficient and simple administration, the following judicial and administration organs shall be established for the maritime court: maritime shipping tribunals, maritime trading tribunals, and other necessary offices. The maritime court may, in light of its need in administering justice, establish subtribunals in ports under its jurisdiction in order to promptly deal with cases on the spot.

The name of the place where a maritime court is located will be added to the words "maritime court" to form the official title of the court. For example, the Shanghai Maritime Court, the Dalian Maritime Court, and so on.

Regarding the maritime court's power, Zheng Tianxiang said: Maritime courts are a component part of the state judicial structure and are at the same level with the ordinary intermediate people's courts. The maritime court, as court of first instance, has jurisdiction over maritime shipping and trading cases involving Chinese alone or Chinese and foreign nationals or entities. It will not accept other civil suits or criminal cases. Appeals against judgment or ruling of a maritime court are under the jurisdiction of the higher people's court of the province, autonomous region, or municipality where the maritime court is located. The maritime court's jurisdiction will not be restricted by inland administrative zoning. China's sea waters, islands, and ports in coastal areas will be separately placed under the jurisdiction of the maritime courts in the several major port cities. The specific jurisdiction of each of the maritime court will be decided by the Supreme People's Court in consultation with relevant quarters.

Concerning the appointment and removal of judicial personnel of the maritime court, Zheng Tianxiang said: In light of the fact that the maritime court is a special people's court, in order to simplify procedures, the maritime court's president, vice presidents, presiding judge, deputy presiding judges, judges, and members of the judicial committee will be appointed and removed by the standing committee of the people's congress of the city where the maritime court is located.

HUANG KUNYI REPORTS ON JOINING PARIS CONVENTION

OW110917 Beijing XINHUA Domestic Service in Chinese 1426 GMT 10 Nov 84

[Excerpts] Beijing, 10 Nov (XINHUA) -- Entrusted by the State Council, Huang Kunyi, director of the State Patent Bureau, this afternoon gave an explanatory report to the eighth session of the Standing Committee of the Sixth National People's Congress on recommending China's acceding to the "Paris Convention for the Protection of Industrial Property."

Huang Kunyi gave a brief introduction to the "Paris Convention for the Protection of Industrial Property" at the meeting. Huang Kunyi said: China's acceding to the "Paris Convention for the Protection of Industrial Property" is conducive to implementing the policy of opening to the outside world, expanding international economic and technological exchanges, and speeding up the import of advanced technology. It will also be advantageous to the implementation of the Patent Law and the Trademark Law.

He said: Although our country has promulgated the Patent Law and the Trademark Law, we have not joined the "Paris Convention for the Protection of Industrial Property" and assumed international obligations. The foreigners still cannot fully trust us. Acceding to the "Paris Convention" will prove that our country will fulfill the convention's stipulations and assume international obligations of protecting industrial property. In this way, we can eliminate foreign firms' worries in making investments and transferring advanced technology.

Huang Kunyi also pointed out: Clause 1 of Article 28 of the "Paris Convention for the Protection of Industrial Property" stipulates that if signatory countries cannot solve their disputes concerning the explanations and applicability of the convention, one party may bring a suit against the other party to the International Court. In regard to this, our country will, based on our persistent stand of not accepting compulsory means of administration by the International Court, make a statement to express our reservations toward that clause and that we will not be bound by it when we accede to the convention.

HE KANG ELABORATES ON GRASSLAND LAW

OW111217 Beijing XINHUA Domestic Service in Chinese 1317 GMT 10 Nov 84

[Excerpts] Beijing, 10 Nov (XINHUA) -- Entrusted by the State Council, He Kang, minister of agriculture, animal husbandry, and fishery, gave an explanation of the "Grassland Law of the People's Republic of China (draft)" this afternoon at the eighth session of the Sixth NPC Standing Committee, pointing out that strengthening the work of protecting, managing, and building the grassland is an urgent task at present to ensure a steady development of the livestock industry.

Pointing out the necessity of enacting the Grassland Law, He Kang said: The grassland is one of our valuable natural resources. China has more than 5 billion mu of natural grassland. Of these, 4.7 billion mu (3.3 billion mu being usable) are located in pastoral areas, and 1 billion mu are on mountains, slopes, and coastal beaches in farming areas. Now the pastoral and semipastoral areas in our country have some 94 million head of livestock. Each year they can provide the state with 340,000 head of draft animals, 1 million head of beef cattle, about 10 million head of meat sheep and goats, some 160 million jin of wool, and more than 10 million hides, playing a significant role in the national economy. Since the grassland of our country is mainly located in minority-inhabited border regions in the northeast, northwest, and southwest and in Nei Monggol, success in managing and building the grassland is also of vital importance to the development of the minority economy and the consolidation of our national defense.

Nonetheless, for many years, our work of managing and building grassland has lagged behind. Particularly during the decade of domestic turmoil, the interference and sabotage carried out by Lin Biao and the "gang of four" made it impossible to implement the production and grassland-protection policies that our party and state had formulated for pastoral areas. The problem of arbitrarily occupying and reclaiming the grassland and overgrazing damaged our grassland resources to a very serious extent. According to incomplete statistics covering 10 provinces and autonomous regions where a large part of the land is used for animal husbandry, 102 million mu of grassland have been reclaimed and put under cultivation during the last 20 years. The destruction of vegetation on the grasslands has disrupted the harmony of the natural ecosystem, aggravated the disasters of sandy winds and drought, and accelerated the process of the grasslands becoming sandy, alkaline, and deteriorated. As a result, there is a general decline in the production of grass. At present, about one-third of the usable grassland in our country has become severely sandy, alkaline, and deteriorated. Of this, 700 million mu are seriously plagued by rats and insects. For many years, construction work on the grassland has progressed only at a slow pace because of the failure to implement the production policy in pastoral and semipastoral areas and a lack of solutions to the problems of capital-construction funds and materials for the grassland. Now only 1.1 percent of the total usable grassland in our country has been fenced, and only 1.2 percent has been turned into manmade pastureland after the construction of certain facilities.

In recent years, the vast numbers of masses and cadres in pastoral areas and some NPC deputies and members of the CPPCC National Committee have strongly requested that a grassland law be enacted and promulgated by the state at an early date in order to use the law to ensure the protection, exploitation, and construction of the grassland. For this reason, we worked out the "Grassland Law of the People's Republic of China (draft)" on the basis of the relevant Constitutional provisions and according to the state's policies and regulations concerned.

He Kang also elaborated on the question of grassland ownership and the question of how to define the boundary of grassland jurisdiction.

UNITS IN XIAN VIOLATE PRICING POLICY

HK100906 Beijing RENMIN RIBAO in Chinese 10 Nov 84 p 1

[Report: "Punishment for Those Who Arbitrarily Hike Prices and Disrupt the Market"]

[Text] [Abstract] The Xian Knitwear Procurement and Supply Station and the Garment Accounting Agency for the Xiaozhai Shopping Center raised the prices of rugs without permission. Their illegal income has been confiscated and they have been fined. Yulin's representative office in Xian put vast quantities of rugs on the market and indiscriminately raised prices. The case is being investigated. [end abstract]

According to SHAANXI RIBAO, the Xian Knitwear Procurement and Supply Station and the Garment Accounting Agency for the Xiaozhai Shopping Center violated the price policy by raising the price of rugs. Recently, the city Price Bureau and the Yanta District Price Bureau investigated the case involving the two units, confiscated their illegal income of more than 6,700 yuan, delivered it to the state treasury, and fined them 500 yuan and 300 yuan, respectively.

In September of this year, the city textile goods procurement and supply station bought 300 rugs from Yulin at the place-of-origin wholesale price (55.4 yuan each). Not long ago, they retailed them or sold them in vast quantities at five different prices, the highest wholesale price being 8.2 yuan, or 14.3 percent, more than that fixed by the state. By doing this, it earned illegal income of 1,624.3 yuan. On 23 October, the Garment Accounting Agency for the Xiaozhai Shopping Center bought 300 rugs at a price 5.3 yuan higher than the retail price fixed by the state. And then it raised the price and sold each rug at 79.9 yuan, thus earning an illegal income of 4,710 yuan. Aside from these two cases, not long ago, Yulin's representative office in Xian also put more than 3,000 rugs on the market and sold them at a higher price without permission, thus bringing chaos to the market and infringing on the interests of consumers. The rugs produced by Yulin fall under the category of commodities whose price cannot be raised. The provincial price inspection office and the Xincheng District Price Inspection Office in Xian have thoroughly investigated the case and decided to confiscate its illegal income of 12,851 yuan and fine it 1,000 yuan. An inspection team is investigating and handling the office's practice of violating the price policy.

Commentator's Article

HK100920 Beijing RENMIN RIBAO in Chinese 10 Nov 84 p 1

[Commentator's article: "It Is Forbidden To Indiscriminately Hike Prices"]

[Text] The Xian Knitwear Procurement and Supply Station and the Garment Accounting Agency for the Xiaozhai Shopping Center have been dealt with by the price departments for violating the price policy and for hiking prices. They have not benefited themselves. On the contrary, they have been fined. They should blame themselves for this.

An important feature of the economic structure reform is to establish a rational price system. Thus, it is necessary to adjust unreasonable prices. Some people are afraid that this might result in a nationwide price increase. This will not happen because our reform of prices is a structural readjustment that will make prices more reasonable. The price system reform is of vital importance to the overall situation of the national economy and the people's livelihood. Thus, the government will, with an extremely careful attitude, formulate feasible and well-conceived plans and execute them in a planned, step-by-step, and controlled manner.

This point was thoroughly discussed in the decision of the 3d Plenary Session of the 12th CPC Central Committee. At present, we should concentrate our efforts on the study of the documents issued by the central authorities, comprehensively understand their essence, and implement organizational measures and make ideological preparations for guiding and carrying out the reform. We must not take the opportunity to speculate or trap people.

At present, there are some industrial and commercial enterprises that are paying no attention to the overall situation and the state's policies, regulations, and decrees; that care only for their own interests; and that are arbitrarily hiking prices, thus resulting in a tendency to raise prices. By doing this, they are infringing on consumer interests, disrupting the market, and impeding reform. They are also ruining the reputation of the reform. This absolutely cannot be permitted.

In carrying out all kinds of reforms, we should subordinate ourselves to the state and the overall situation and take the people's interests into consideration. We must not trap the people just because we want to earn more money. This is a matter of principle as well as a matter of law and discipline. The central authorities have repeatedly reiterated this. Whoever infringes on the people's interests will be opposed by the people. Those units that seize the opportunity made available by reform to arbitrarily raise prices must be severely handled. They should be punished by economic means. In addition, if the cases are serious, the responsible persons of the units must also be punished according to law and discipline. If the offenders are party members, they are to be punished according to party discipline. The purpose of party rectification is to solve this kind of practical problem. In the course of the reform, unhealthy tendencies must be seriously handled.

RESOLUTE HALT CALLED TO 'WANTON' PRICE INCREASES

HK130753 Beijing ZHONGGUO XINWEN SHE in Chinese 1347 GMT 12 Nov 84

[Roundup: "China Resolutely Calls a Halt to Wanton Price Increase"]

[Text] Beijing, 12 November (ZHONGGUO XINWEN SHE) -- In order to guarantee the smooth progress of the restructuring of the national economy as a whole, with a focus on the urban economy, China is now taking resolute measures to stop the unhealthy practice of wantonly increasing prices. The CPC's top leaders have called for exposure of those "black sheep," who have taken advantage of the reform to do harm to public interests.

According to various local papers, on the eve of the reform of the price system, a small number of people drove up the prices and thus disrupted the market. For example, a textile purchase and supply station and a shop in Xian raised the price of woolen rugs by 14 percent, and some people indiscriminately raised the prices of some high-grade commodities that are in short supply, in order to seek exorbitant profits. In Beijing, an electrical appliance company raised the unit price of imported color television sets from 1,600 to 2,700 yuan through repeated selling and reselling. Recently, in Beijing, Guangzhou, Shenzhen, Shanghai, and other cities, some "bulls" who engage in reselling tickets at a profit have become active at the railway stations. Taking advantage of our difficulties in railway transportation, these lawless elements have purchased the tickets that are in great demand and then resold them at a high profit. As a result, people who are traveling on their own or on official business suffered a great deal.

The relevant departments have adopted resolute measures to deal with the above mentioned unlawful practice of driving up prices or increasing prices in a disguised form. Once a case is discovered, not only are the illegal gains confiscated, but a heavy fine is also imposed. Serious cases are punished according to discipline and the law. Over the past more than 10 days, Beijing has dealt with 41 cases involving the resale of train tickets at a high profit, in which 2 persons have been taken into custody for investigation, 6 persons have been detained by administrative organs, and 21 persons have been fined.

Commodity prices have always been a hot topic for street gossip among city residents. Recently a responsible person of the State Administration of Commodity Prices clearly pointed out that the prices of high-grade and durable consumer goods will not be raised. On the contrary, with the increase of production and reduction of costs, their prices will become lower in the future. At the same time, the state administration of commodity prices issued a circular, requiring that price departments in all localities send price inspection personnel to enterprises and grassroots units to carry out conscientious supervision and examination over prices in cooperation with relevant units. The main tasks at present are: to examine those who bought and resold goods in their localities to reap unfair profits; those enterprises and commerical wholesale departments that sold commodities in great demand to commerical units and individual traders at retail prices or even higher prices; and those who substituted inferior goods for quality products, who sold goods underweight, or who indiscriminately raised the grades and prices of certain commodities, resulting in disruption of the market. All practices that run counter to the price policy and violate discipline must be resolutely stopped and must be dealt with seriously.

MINISTRY BANS UNAUTHORIZED RAILWAY PRICE HIKES

OW120831 Beijing XINHUA Domestic Service in Chinese 1134 GMT 10 Nov 84

[Excerpts] Beijing, 10 Nov (XINHUA) -- The Ministry of Railways recently issued a circular calling on all railways to stop resolutely the malpractices of unauthorized price hikes and fee collection.

The circular particularly emphasized the necessity to improve the management of passenger ticket sales, ban unauthorized fee increases, and strictly prohibit railway personnel from taking advantage of their jobs to collude with lawless persons in the society in reselling passenger tickets or confirmed coach seats for huge profits.

The circular demands: When passenger trains are carrying more passengers than their seats can accomodate, the railway bureaus should provide additional benches for use by the unseated passengers, but the bureaus are not permitted to take the opportunity to levy extra fees on the passengers. It is strictly prohibited to put extra beds in sleeping cars, or sell side seats in the sleepers. It is also strictly prohibited to run any hotel business in passenger service facilities such as idle passenger cars, waiting rooms, and ticket office lobbies.

PROTECTION AGAINST TRAIN TICKET SCALPERS URGED

OW101428 Beijing XINHUA Domestic Service in Chinese 0935 GMT 10 Nov 84

[Excerpts] Beijing, 10 Nov (XINHUA) -- This reporter learned from the Ministry of Railway today that a few people have recently engaged in the illegal activity of train ticket scalping.

A central organ leader is very concerned about the situation and has given instructions to openly expose any person engaged in this activity in order to protect the people's interests. In the instruction written on a report, the central organ leader pointed out: All matters of vital concern to the people's interests must be made public so as to mobilize the people in a joint effort to deal with the black sheep in our ranks. Bringing the matter into the open can both mobilize and educate the people. If we keep things quiet and let the bad people do whatever they want, the people would think that we are shielding the criminals. The political, legal, and propaganda department as well as all other units responsible for the protecting public interest should openly and boldly shoulder this responsibility.

In a situation report, the Ministry of Railways noted that on some crowded rail lines, often there are more people who want to buy tickets than there are tickets available. Taking advantage of this situation, some idlers would buy many tickets ahead of others, to be sold later on at much high prices. This frequently happened at the railway stations in Guangzhou, Shenzhen, Shanghai, Nanchang, Bengbu, Hefei, Chengdu, Chongqing, and Guiyang.

RAILWAYS MINISTRY BETTERS TRAIN CAPACITY, SERVICE

OW132225 Beijing XINHUA Domestic Service in Chinese 0813 GMT 13 Nov 84

[By reporter Wu Jincai]

[Text] Beijing, 13 Nov (XINHUA) -- According to the Ministry of Railways, departments in charge of railway transportation are taking positive measures to expand the capacity of railway transportation in an effort to reduce the large backlog of passenger transportation in Beijing areas.

An official in charge of railway operations under the Ministry of Railways told me that to transport more passengers, one or two additional coaches have been attached to the 24 trains operating on the Beijing-Guangzhou, Beijing-Shanghai, and Beijing-Harbin lines. Next year, he added, Trains No 15 and 16 and Trains No 47 and 48 will become the nation's longest trains as the number of their coaches will increase to 30 from the present 18. Moreover, he said, additional passenger trains have been put into stopgap service on the Beijing-Shenyang, Beijing-Wuxi and Beijing- Wuchang lines.

To control overload and ensure train and passenger safety, the Ministry of Railways has also set rules for all trains departing from Beijing: Overload of a limited express should not exceed 10 percent, overload of an express should not exceed 30 percent, and stations along various railways must keep the overload rates of all trains below 50 percent. The Ministry of Railways has also notified railway stations in Beijing and other large cities that they should increase the number of tickets for advance booking and expand ticket delivery service so that tickets are available to passengers ahead of time and so that fewer people need to stand in line to buy them. It was also learned that the Beijing Railway Bureau has decided to improve its service by applying computer technology to ticket sales and in providing passengers information and guidance.

SHAANXI 'DEMOCRATICALLY ELECTS' CPC LEADER

HK131153 Beijing RENMIN RIBAO in Chinese 13 Nov 84 p 1

[Report: "Shaanxi Democratically Elects the Principal Leading Member of the Provincial CPC Committee"]

[Text] In accordance with the spirit of the central directive, the Shaanxi Provincial CPC Committee not long ago held a meeting attended by more than 300 cadres at the county party secretary level or above.

The meeting elected the principal leading member of the provincial CPC Committee on a democratic basis and by following the mass line.

As far as the age of would-be secretaries of the provincial CPC Committee is concerned, the CPC Central Committee has made two suggestions: They should be in their 50's or under 60. In addition to the age requirement, they should also meet the following four requirements: 1) They should be quite strong politically and have a comparatively good record during the "Great Cultural Revolution." 2) They should have a higher level of education or generally speaking, have a university or higher education. 3) They should be sufficiently capable of doing organization and leadership work. 4) They should be fairly bold and resolute in their work and be able to open up new prospects in whatever they do. During the deliberations, the participating comrades had a very lively discussion on the two suggestions and four requirements and unanimously agreed that the requirements set by the central authorities for electing the principal leading members of provincial CPC committees are essential for carrying out the four modernizations program and we should implement them in an overall manner.

During this election of the leading member of the provincial CPC Committee, no list of candidates was advanced beforehand and the provincial CPC Committee, instead of interfering in the election, encouraged the nominators to nominate their candidates freely. The procedure governing the democratic election was worked out in light of the election procedure used in the party congresses. It was implemented after being seriously studied by the Standing Committee of the provincial CPC Committee and after getting approval from this meeting through discussion. The deliberation of candidates and their election by ballot were carried out in four steps: 1) After being fully deliberated, a meeting was held. The nomination of candidates was conducted using the method of casting votes by secret ballot and the names of the candidates and the number of votes they got were made public immediately. Then their brief records were printed and distributed among the participants and all became nominees after further deliberations. 2) The meeting decided the election by ballot. According to the procedure governing the democratic election, 13 comrades were chosen as the candidates in the next step, in the order of the number of votes they got. Their brief records were printed and distributed among the participating comrades for further deliberation. 3) The meeting decided the election by ballot for the second time and consequently, 11 persons were elected, of whom 6 comrades were to be chosen as formal nominees after further deliberation by the participating comrades as required by the procedure of the democratic election. 4) Finally, from among the six comrades, one comrade was elected by ballot. After discussion by the Standing Committee of the provincial CPC Committee, this was reported to the central authorities for examination of approval. The participating comrades said: In this election, everyone was encouraged to carry out full deliberations and nominate their candidates freely. This is a full reflection of inner-party democracy and the desires of the masses and is thus in keeping with the Marxist principle that the people should choose and supervise their own public servants.

The CPC Central Committee attached great importance to the democratic election of the Shaanxi Provincial CPC Committee. Prior to the election, the CPC Central Committee explicitly set criteria for persons to be elected and worked out methods of election. In the course of the election, a CPC Central Committee leading comrade instructed that the provincial CPC Committee should have a good and accurate choice of persons and that the persons elected should have the ability to lead and to blaze a new trail. Comrades of the liaison group of the Central Commission for Guiding Party Rectification stationed in Shaanxi also attended the meeting.

This played an important role in guaranteeing the successful course of the election work. The Shaanxi Provincial CPC Committee also decided that principal leading cadres on various fronts at the county CPC secretary level or above should participate in the democratic election work so that the meeting could have a wide range of representatives. Instead of dividing the participants into groups according to the division of regions and departments, as was adopted in the past, the provincial CPC Committee organized them into groups by breaking the division by regions and departments. In this way, the participants could have an overall perception of the situation and draw on collective wisdom. The provincial CPC Committee conscientiously analyzed the situation of nominees and each ballot, and the Standing Committee collectively studied and decided on major problems. Responsible comrades of the provincial CPC Committee also held a forum of responsible persons of various democratic parties to transmit the CPC Central Committee's instructions on the democratic election of the principal leader of the provincial CPC Committee and to listen to the opinions of democratic parties.

At the Shaanxi Provincial CPC Committee cadres meeting, from nomination to the third ballot, opinions on persons elected were almost identical. Based on those opinions, the CPC Central Committee approved the appointment of Comrade Bai Jinian, originally a member of the Standing Committee of the Shaanxi Provincial CPC Committee and vice governor, as secretary of the provincial CPC Committee. The participants were satisfied with the election. They said that the democratic election of secretary of the provincial CPC Committee was a successful attempt in the party's high-ranking cadre system reform and that this would provide experience for reforming the work concerning cadres and for speeding up the "four transformations" of leaders.

Commentator's Article

HK131155 Beijing RENMIN RIBAO in Chinese 13 Nov 84 p 1

[Commentator's article: "Bold Attempt at Reforming the Cadre System"]

[Text] The election of the secretary of the Shaanxi Provincial CPC Committee on the basis of democratic recommendation is the first successful trial of this kind in the reform of our cadre appointment system, and should be highly valued and properly introduced to other localities.

The experience of Shaanxi Province is mainly the application of the mass line in the selection and appointment of cadres. First, the masses are not only allowed to recommend grassroots cadres, but also to recommend principal leaders of a provincial party committee. Second, candidates are not put up by the higher authorities beforehand, but are freely nominated by the masses through sufficient consultation. Third, it is not just a small number of people that have the right to nominate the principal party leader of the province -- the recommendation is carried out on a wide range by more than 300 cadres at and above the county level, with the opinions of non-party personages being taken into account. Fourth, the vote is not a sham. Instead, the election is conducted by means of secret ballot after a few days of meetings, so it fully reflects the opinion of the masses. Fifth, neither the central leadership nor the provincial party committee has intervened in the election; instead they fully respect the democratic right of party members and cadres to elect able and virtuous people to key positions. The high leadership just gives guidance in the fields of policies and methods in order to ensure the healthy development of the recommendation and election work along a correct course.

The experience of Shaanxi in electing principal leaders of the provincial CPC Committee shows that it is not only necessary but also possible to extend inner-party democracy to the appointment of cadres, including high-ranking cadres, on the basis of placing full confidence in, and reliance on the masses in electing cadres in line with the four requirements. As long as we boldly give the reins to the masses in this matter, we will be able to create a new situation in the handling of our cadre affairs.

The democratic recommendation and election of leading cadres is not merely a simple change in our work methods, but represents a major reform in our cadre system. It will fundamentally change the outmoded method of relying on the ideas of a small number of people in deciding the appointment of cadres. This reform measure will open up a new road in correctly judging and appointing cadres through extensive application of the mass line on a wider basis. Boldly adopting the democratic method in choosing and electing cadres in line with the four requirements may impart many advantages: First, this will help break the long-standing "mysterious" and "handicraft-style" administration of cadre affairs and help people broaden their outlook in personnel affairs in order to promptly discover and promote people of talent. Second, this will correct the ideas of some comrades who only trust themselves and do not trust the masses in order to prevent subjectivism, one-sidedness, and thinking in terms of absolutes in the matter of personnel affairs. Third, this will change the erroneous practice of some comrades who set their responsibility to the higher authorities against their responsibility to the people and just respect the opinion of individual leaders without regard for the will of the masses in assessing and selecting cadres. Fourth, this will strengthen the mass examination and supervision over the handling of cadre affairs and will effectively prevent some unhealthy practices in the handling of cadres affairs. At the same time, this will sift out the "people of the three categories" and those who have serious factionalist ideas, in order to ensure political purity.

To promote and spread the democratic election of leading cadres does not mean abolishing personal recommendation. In order to seek gifted people for the four modernizations, we badly need people who can really seek out talented people, particularly in some places where those who are bold and adept in reform and innovations are neglected. In this sense, recommendations by leaders and personal recommendations are not only permitted but should be encouraged. However, it should also be noted that recommendations by leaders and personal recommendations are liable to have drawbacks. Some comrades usually move in a very small circle. They have contact with only a few people who are always around them, they have no idea about the talented people in all departments and all trades and professions, and they are used to judging cadres by old standards and old impressions and to assessing the virtues and defects of cadres with unverified information provided by their old acquaintances and subordinates. Recommendation by these people always has many limitations and mistakes in choosing some people who are not qualified are hard to avoid. Meanwhile, by deviating from the principle of building the ranks of cadres with the "four modernizations," and taking advantage of making recommendations, some people stress family status in promoting cadres, are warm to one grouping and cold to another, measure others by themselves, and even build up their own personal influence. This will not only stifle outstandingly, talented people, but will also cause many new problems in building the ranks of cadres. In order to do away with and guard against these drawbacks and to seek out and promote a large number of talented people who are badly needed in the four modernizations, we must have firm faith in the masses and rely on them, following the mass line and fully develop democracy in the work of selecting and promoting cadres. The main starting point in selecting and promoting cadres is that the cadres we select and promote are public servants who should be to the satisfaction of the people and should be acknowledged and supported by the majority of the masses.

Otherwise, they can hardly unite and lead the masses forward together. We should, therefore, make every effort to create conditions for the masses to exercise their democratic rights in selecting their public servants.

In selecting and promoting cadres, to develop democracy and to follow the mass line is supplementary to testing and examination by organizations. They are indispensable to each other. Some comrades think that stressing the need to follow the mass line in selecting and promoting cadres means weakening testing and examination by organizations. As a matter of fact, firmly following the mass line can precisely help party committees and personnel departments judge cadres objectively and in an all-round way so that they are able to know their subordinates well enough to assign them jobs commensurate with their abilities. Cadres who are selected and recommended by the masses should certainly be examined and approved by party organizations within the limits of their powers of controlling cadres and should be appointed in accordance with the relevant laws and regulations. It is now essential for party committees and personnel departments to genuinely respect the wishes of the masses and to warmly support and encourage the masses to exercise their democratic rights boldly and properly. The masses may have different opinions in measuring cadres. We should make concrete analysis of them and should firmly measure cadres in a realistic way in order to do a good job in selecting cadres. In disseminating the experience gained by Shaanxi Province, we should continue to emancipate our minds, make bold explorations, and link actual conditions in all localities and units so as to accumulate more experience and to solve the problem of establishing a system for appointing people on their merits by following the mass line.

RENMIN RIBAO ON LAW OF VALUE, PLANNED ECONOMY

HK131359 Beijing RENMIN RIBAO in Chinese 9 Nov 84 p 5

[Article by Xu Dixin: "The Law of Value and the Planned Economy"]

[Text] For a long time, we used to set the law of value against the planned economy when dealing with economic activities and used to regard the law of value as the opposite of the planned economy. We must study this matter anew.

In a planned economy -- which is based on public ownership of production means -- the state frequently and consciously distributes production means and labor forces balance in accordance with social needs in order to ensure the well-coordinated development of the national economy. Practice shows that it is hard to include the production, supply, and marketing of all products in a single state plan and to frequently and consciously maintain the equilibrium of supply and demand in regard to every product. The number of products included in a state plan should be limited to those that have a vital bearing on the national economy.

According to Marx' analysis in his "Das Kapital," the law of value also requires that labor resources and production means be distributed proportionately among all production sectors in the entire community according to objective needs. However, when this requirement cannot be fulfilled smoothly due to production being under anarchic condition or errors occurring in state planning, the law of value will spontaneously play a reverse regulatory role. If the objective requirement of the law of value is met, production in all economic sectors will be suited to social demands and the national economy will develop in a well-coordinated and proportionate way. This shows that the law of value can help us enliven the economy and promote our socialist modernization.

In our socialist society, the commodity economy remains and the regulation of work hours and the distribution of social labor among various production sectors must be effected in the form of value, as Marx pointed out. Thus the law of value must continue to play a regulatory role. In our country, both mandatory plans and guidance plans are concrete proof of the planned economy. Guidance plans are carried out mainly through the application of economic levers, whose functions are governed by law of value. Even mandatory plans, which are issued as orders that must be carried out, should also conform to the law of value. Only thus can they reasonably distribute social labor among important production sectors.

Under the capitalist system, the development of commodity production is bound to be blind. This is particularly evident when an economic crisis occurs. Under the socialist system, because of the public ownership of production, means planned guidance and regulation, the management and supervision of industrial and commercial administration departments, and the development of market information services, blindness in commodity economy development can be greatly reduced.

Some people may ask: Our social system is a socialist one. If we develop the commodity economy and give play to the law of value, what differences will there be between our socialist system and the capitalist system? Commodities and the law of value have existed in human history for thousands of years. It is contrary to historical facts to lump together commodities, the law of value, and capitalism. Although the application of the law of value and the development of the commodity economy under the socialist system have a formal resemblance to the law of value and the commodity economy under the capitalist system, our commodity production is based on completely different production relations. The owners of commodities and controllers of commodity production are different; the purposes of commodity production and the size of conscious application of the law of value are also different under the two different social systems. These differences determine that in our country the development of the commodity economy and the application of the law of value are in keeping with the planned economy, and both sides complement each other. The full development of the socialist commodity economy and the policy give play to the law of value will be in the interests of our socialist economic development.

COMMENTATOR ON STUDYING CENTRAL REFORM DECISION

HK091056 Beijing RENMIN RIBAO in Chinese 8 Nov 84 p 1

[Commentator's article: "How One Can Properly Do One's Line of Work Without Discussing Major Issues and Understanding the Overall Situation"]

[Text] During the recent period, some units did not concentrate on studying the decision of the 3d Plenary Session of the 12th CPC Central Committee but rushed headlong into "reform." This thus gave rise to some unhealthy phenomena. For example, some administrative organs retained the "power" that should be delegated to enterprises by changing their signboards or setting up stand-in organs. Some even took over the power that had been delegated to subordinate enterprises. In addition, some enterprises raised prices without authorization for their selfish interests and thus impaired state and consumer interest. Although these instances are out of the ordinary, we still have to pay attention to this development.

It is no surprise that deviations may occur in the quickly developing process of reform, and it is not difficult to correct these deviations. What should be noticed is that such a kind of "reforms" show that some of our comrades have not understood the true meaning of reform.

The reform of the economic structure is an important matter that has a bearing on the interests of the state and the people; steps to enliven an enterprise and to improve the welfare of its workers should be subordinated to the overall interests of economic structural reform.

The central leading comrades pointed out last year that it is necessary to "discuss major issues, understand the overall situation, and properly handle one's work." This nine-character instruction brings to light the relationship between overall and partial interests. It calls for farsightedness and a broad outlook and indicates that leaders at all levels should have the political quality and thinking method of subordinating their own work to overall interests and to the fulfillment of the general task and objective. According to this requirement, all departments and units should, of all things, study the "decision" on reform of the economic structure adopted by the 3d Plenary Session of the 12th CPC Central Committee, deeply and thoroughly discuss this major issue, and have a correct understanding of the overall interests and the relationship between reform in a department and the overall reform in order to do a good job in all fields.

The central "decision" clearly points out: The purpose of reform is to establish a vigorous socialist economic structure, so reform should promote rather than impair social stability, production development, the improvement of the people's livelihood, and an increase in the state's financial resources. If we are sure that a reform measure conforms with this requirement, we should resolutely adopt it; but we must never act recklessly and against this requirement. People who only have the interests of their own units in mind and have no qualms about impairing the interests of the state and the people, no matter what beautiful titles they put to themselves, are in fact playing a negative role in our reform, and their malpractices must not be allowed to continue.

Cadres of our party must have a profound sense of responsibility to do their own work well. This is certainly true. In the historical trend of reform, many comrades have felt that they cannot sit still any longer and have begun to rack their brains to enliven the economy and improve their own work. This enthusiasm is valuable. However, when using our brains and thinking of new ways, we must not ignore and forget the overall interests or go against the overall interests. Our plans should comply with the overall interests, should be subordinated to the overall interests, and should serve the overall interests. This is the starting point for our plans and measures, and is also the primary issue that we should solve in studying the "decision."

PART 2 OF LIAOWANG ON LOP NUR NUCLEAR TEST SITE

HK140735 Beijing LIAOWANG in Chinese No 41, 8 Oct 84 pp 28-29

[Article by Guo Diancheng and Xu Zhimin: "Do Not Forget Premier Zhou's Exhortations --- Second in a Series of Reports on a Visit to Our Country's Nuclear Testing Base"]

[Text] At the nuclear testing base, we can often see the following eye-catching words written on the walls of buildings and on posters: "Be serious, conscientious, prudent, steady, and reliable in our work and ensure perfect safety." Elderly commander in chief Zhang Zhishan said that this was a strict demand that the respected Premier Zhou Enlai put forth on our national defense scientific testing tasks when he was alive. This has also been a fine work style that he personally initiated and fostered. In order to achieve this aim, Premier Zhou threw all his energy into the work.

In his room in the living quarters, wearing presbyopic glasses, he opened a thick book entitled "Materials for a Simplified History of the Nuclear Testing Base," and emotionally told me of some unforgettable incidents in the past.

On the evening of the day when our first mushroom cloud rose in the sky, as people were toasting to the happy victory, the telephone suddenly rang urgently. General Zhang Aiping who commanded this nuclear test left his seat, picked up the telephone receiver and said: "Oh, Premier...."

"I am very happy to hear your report on your success in the test." Having expressed his congratulations, he said, "However, you should also tell me what evidence you have to prove this success. I have to report to Chairman Mao...." Zhang Aiping was deeply moved by Premier Zhou's spirit of being scrupulous about every detail. He stood by the telephone and briefed the premier on the various kinds of samples and data collected in the area of explosion, the charts that were drawn, and other relevant states of affairs, as if he was counting his family treasure. Hearing this, Premier Zhou was very satisfied.

As far back as when our country was developing its first atomic bomb, Premier Zhou personally listened to briefings and gave instructions that we had to seek truth from facts, proceed step by step in an orderly way, work steadfastly, and guard against arrogance and rashness. Our work should be characterized by a high political and ideological level, good organization, and strict discipline, and should be well-planned and highly scientific. He time and again stressed that in doing research and testing work, we should be serious, conscientious, prudent, steady, and reliable and ensure perfect safety.

During the more than 10 years preceding his death, Premier Zhou personally presided over about 100 special meetings. He often concerned himself with this work ranging from the drawing up of plans for our scientific and technological undertakings for national defense to the concrete arrangements and progress of every test. On 12 June 1967, Premier Zhou presided over a meeting to listen to the briefing by a vice minister in charge of the Commission of Science, Technology, and Industry for National Defense on preparations for our country's first hydrogen bomb test. This vice minister said that all the preparatory work for the test had been going on normally. However, during the practice run for the air release maneuver it was discovered that there were three tears in the parachute that carried the product. Having listened to the briefing, Premier Zhou seriously pointed out: Can we say "Things have all been going on normally" when there are three tears in the parachute? This shows that we failed to adopt a scientific attitude. We should not be too optimistic, should seek truth from facts, should never be too careless, and should keep improving our work all the time. We should adopt safety measures to cope with accidents and should show great concern for the safety of our people. The premier also told all of us that Vice Chairman Nie Rongzhen would soon hurry to the site to lead this test.

Whenever a nuclear test was being carried out, Premier Zhou always personally waited by the telephone to directly understand the state of affairs at the site and promptly handle problems. Premier Zhou's instructions and magnificent practice has always been deeply engraved on the mind of Zhang Zhishan, a veteran soldier. He told us that for over 20 years, all the personnel who took part in the nuclear tests have not forgotten Premier Zhou's instructions and have worked selflessly with a lofty sense of responsibility for the party and the people and wonderfully fulfilled the various nuclear testing tasks.

When we were at the base, the scientific and technological workers were busy making preparations for a new testing task. On the highway, trucks ran one after another carrying testing equipment. In the camps, the scientific and technological workers were seated while doing their work while the leading cadres of the base and the various operational departments were working in their offices at the site. The site, which is quiet at ordinary times, was seething with activity.

As we should often change sites when carrying out underground nuclear tests, a great amount of complicated work has to be done to install testing instruments and equipment at the sites. Having been shaken in long-distance transportation, many of the instruments had to undergo shakedown tests again. Many precision instruments have to undergo adaptability tests in dry, windy, and sandy surroundings. All the scientific and technical workers, veterans who had taken part in dozens of nuclear tests or those who had just graduated from colleges, were deeply engrossed and very careful in their work. When they carried out rush tasks, they had meals in their workshops, took no rest at noon, worked more than 10 hours everyday and even stayed up late sometimes. Because of the fatigue from their work, the hot weather, and the poor quality of the drinking water at the sites, quite a few of the workers there suffered from indigestion and lost weight day by day; but they always stood fast at their posts.

The Cable Company was an advanced unit that had installed over 12,000 km of cables without any accidents due to negligence. At that time, the whole company was working intensely in the scorching hot weather on the Gobi Desert. One day when they tested the whole site's wiring, because of some problem related to the wire, the signals of a group of instruments showed a moment of instability. However, they soon became normal. Though this was within the allowed scope, the cadres and fighters of the company were not willing to leave this problem unattended, as if it had been sand in their eyes. Under the leadership of the company captain, they all tested the cables one section after another in all directions under the scorching sunshine and on the hot desert. They worked from 0900 to 1700, walked over 40 li, checked over 1,000 welded contacts and finally found the unsatisfactory contact.

At the pithead where the drill of lifting and installing the "product to be tested" was carried out, we saw the leaders responsible for the technical work in the base were arranging and directing the work. All the operators were engrossed in the work as if this was not a simulated model but an actual atomic bomb. This scene made us recall a past incident that Zhang Zhishan had mentioned when he briefed us on our country's first nuclear test.

At that time, all the people taking part in the test had withdrawn to safety areas, silence ruled over the busy testing site, and the mountain-shaking moment was coming soon. Two jeeps raced toward the iron tower where the atomic bomb was installed. In the jeeps were Zhang Yunyu, commander of the testing base, Li Jue, leader of the unit that developed the product, and two technicians. They were going to complete the final working procedure -- installing the detonator of the atomic bomb. The drill of doing this had already been carried out hundreds of times by these two technicians. However, at this final juncture, in order to prevent even the smallest chance of a mistake, the two leaders accompanied the two technicians to the tower. After they finished the process, the two leaders left the atomic bomb which might have been "triggered at any moment."

Twenty years had passed, but the people at the base still could not forget this incident. A nuclear test is a large-scale comprehensive scientific experiment. At the testing site, there are tens of thousands of various kinds of instruments and things to test the effects of the explosion.

The number of people taking part in a test ranges from several thousands to nearly 10 thousand. Any negligence or error may affect the results of the test or even lead to the failure of the test. At the testing base, everyone kept well in his mind Premier Zhou's instruction, had a great goal in his mind and demanded a high standard in his work. Company No 4 that was carrying out transportation tasks at the site was precisely one of such advanced collective. The company had 50 vehicles in all, and all of them had operated safely for 19 years. Volunteer soldier Wang Yongfu had been in the Army for 15 years and had constantly improved his skill. He safely drove his vehicle for over 388,000 km through storms on the desert and on the white snow that covers Tian Shan and never had even the smallest accident. In order to ensure the safety of the instruments carried in his truck, he sometimes prefered to suffer the coldness and took off his fur-lined coat to wrap the instruments.

Nuclear tests -- in particular those carried out in the atmosphere -- have very exacting demands regarding weather conditions at the site. However, before the base was established, we had no data about the weather in the area of Lop Nur. With great interest, we visited the weather station at the site and interviewed Wang Wenqing, chief of the general weather station at the base.

Wang Wenqing had achieved outstanding merits in the meteorological work of the base. He is 47 or 48 years old this year and is a native of Heilongjiang Province. He talked in a frank and straightforward manner but he never said anything about his personal contribution and his unit's achievements.

With Zhang Zhishan's help, we learned something about the base's meteorology department -- a heroic collective.

One day, everything was ready for an atmospheric test explosion and that time of the explosion was fixed. However an easterly wind was blowing at the testing site instead of the westerly wind that we needed for the test. Those who came to see the test were uneasy and the commander time and again called the weather room. However, the weathermen always gave the firm answer: "There will surely be a westerly wind at the 'zero-hour'!"

"Zero-hour" came increasingly nearer, but the easterly wind did not weaken in the least. There was an atmosphere of anxiety at the site. Ten minutes before "zero-hour," a miracle occurred -- the colored flags in the site changed direction and fluttered to the east. The westerly wind came and the test was carried out on time.

In 1966, after two successful nuclear tests, the CPC Central Committee decided to do a third test before the eve of the new year. However, snowy and cloudy weather began in the area of the site on 25 December. Judging by previous data, once this kind of weather began, it would last for at least 5 days or even half a month before fine weather returned. Could a short period of fine weather be found amid this bad weather, thus enabling us to carry out the CPC Central Committee decision? The weathermen plunged into intense work. Through 2 full days and nights of analysis, in the wee hours of the 26th, they reported to the test headquarters that there would be a short period of fine weather at midday on the 28th. Headquarters fixed 1200 on the 28th as the time for the nuclear explosion. Snow kept falling unceasingly on the 27th. The commander anxiously paced to and fro in the snow in an overcoat.

Early on the morning of the 28th, the annoying snow continued to fall thickly. At 1030, the snow stopped and the clouds began to thin out. At 1100, the sun was shining and there was a blue sky over the site.

In a mood of mixed surprise and excitement, people heard another nuclear explosion shake Lop Nur.

Wang Wenqing said that the miraculous accuracy of the weatherman's forecast was first due to the accurate meteorological data provided by "Yangpingli Weather Station." Before this weather station was set up, there was no meteorological data for the Lop Nur area. During the 1930's, a foreigner came here and wanted to create a "miracle." However, he stayed for only 2 hours and then ran away crying: "It is impossible to survive there."

In November 1960, the base sent four meteorological fighters, four guards, and two drivers and ordered them to set up a weather station deep in the Gobi Desert near a wooden stake marked "III B -- 57." They called this station "Yangpingli Weather Station." The fighters loaded up the instruments and luggage and drove their trucks for three days in search of the stake and finally found it. The very day when they found it, they installed the thermometer screen and anemoscope, and the next day they sent their first batch of meteorological data to the base.

Since that time, the "people at Yangpingli" have been engaged in the common and great work day and night in the remote and uninhabited Gobi Desert despite the summer heat and the freezing winter cold. When there was a storm, hand in hand they protected the thermometer screen and when there was a rainstorm, every one of them rushed to salvage the files. During the 24 years since the station was established, their data has always been accurate and error-free. This has ensured satisfying the needs of the nuclear tests and has created miracles in the history of our country's meteorological work. For this they were granted by the Ministry of Defense the title of "Exemplary Weather Station."

SHANGHAI NUCLEAR PLANT CONSTRUCTION STEPPED UP

HK140615 Beijing ZHONGGUO XINWEN SHE in Chinese 0708 GMT 12 Nov 84

[Report: "Preparatory Work for Jinshan Nuclear Heat and Power Station Reaches Overall Design Stage" -- ZHONGGUO XINWEN SHE headline]

[Text] Shanghai, 12 Nov (ZHONGGUO XINWEN SHE) -- Preparations for building the first phase of the Jinshan nuclear heat and power station in Jinshan County, Shanghai, are being stepped up. After the conclusion of the discussion on the feasibility of plans for the 13 systems of the nuclear heat and power plant, the work has reached the overall design stage.

The Jinshan Nuclear heat and power station will have total a capacity of 2 times the 450,000 kw of thermal power. After its completion, it will supply power and heat energy to the Shanghai Petrochemical Plant. By now, the departments responsible for planning and design have concluded the discussion on the feasibility of the 13 systems, including the reactor cooling system, the shut-down cooling system, the boron recovery system, the chemical control system, the displacement control system, and the safety shell sheltering the network of waste fluid ducts and major process ducts, and so on. In addition, they have drawn the flow diagrams for these systems and have sketched the facilities and arrangement of compartments for various processes and have designed the facilities and the overall arrangement of the safety shell and the auxiliary buildings.

The technical design of the nuclear island of the Jinshan nuclear heat and power station is being undertaken by the Southwest China Reactor Engineering Research and Design Institute. Now, they are designing the fuel assemblage of the reactor, the driving mechanism, the pressure vessels, the in-pile members, the reactor control system, and the in-pile test system. They are also devoting great efforts to the research into and the trial-production of fuel assemblages and so on.

RENMIN RIBAO DESCRIBES SCENE AT NAVAL EXERCISE

HK140837 Beijing RENMIN RIBAO in Chinese 9 Nov 84 p 4

[Article by Lu Qiming and Zhao Yuelong: "Braving the Waves, an Awe-Inspiring and Magnificent Fleet Is Approaching"]

[Text] Braving the waves in the turbulent sea, the awe-inspiring fleet moved forward. The People's Navy was beginning a grand sea exercise.

In the early 1960's, the Navy's weapons and equipment were mostly small and outdated vessels captured from the enemy. Together with the Army and the Air Force, our seamen, with those poorly armed vessels, had liberated many coastal islands; sunk, damaged, or captured 404 enemy vessels of various types; and shot down or damaged 204 enemy aircraft. In many battles, they attacked large vessels with small vessels and, with their inferior equipment, beat enemies possessing superior equipment.

Small white spots appeared some distance ahead. Skimming the sea, attack planes and bombers approached. The Naval Air Force had, with backward aircraft, shot down or damaged 14 types of advanced aircraft. Now, their planes can carry missiles. The bombers accurately released their bombs between the blue sea and the azure sky. A dragnet had been spread.

Before the droning of the airplanes died, hunter submarines dashed toward us. After discovering their targets, the hunter submarines immediately launched rockets and extremely destructive depth charges. Before long, the sea was turned into a boiling pot and huge geysers shot up, one after another.

Following the hunter submarines were the screaming torpedo boats in formation. In the past, manning small and backward torpedo boats, our seamen had sunk large military vessels. They were dubbed "dynamiters of the sea." Now, they have the most advanced torpedo boats. With an invincible spirit, the "dynamiters" dashed ahead.... The submarine attack was about to begin. Suddenly, with a deafening noise, the target ship was broken into two and sunk. Seconds later, a whale-like submarine surfaced. Our submarine force has grown from nothing into an important sea combat force.

The sea was filled with noise again. Guided-missile ships appeared. Taking the lead were guided-missile boats -- the light cavalry of the sea. They are small in size, but they have a high speed and are extremely powerful. Following the guided-missile boats were the awe-inspiring and magnificent guided-missile destroyers and guided-missile convoys. Comrade Mao Zedong had inspected the Luoyang, the Nanchang, and the Guangzhou. They have all retired. Now, all the ships of this force carry guided missiles. With a flash, missiles shot into the sky and hit all the targets. On the vast expanse of the sea, the grand array of all types of naval vessels was like a steel dragon.

NAVY SPEEDING UP DEVELOPMENT OF MISSILES

HK140302 Beijing ZHONGGUO XINWEN SHE in Chinese 0711 GMT 13 Nov 84

[Report by Li Wei: "Missiles Are Playing a Major Part in China's Naval Armament" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 13 Nov (ZHONGGUO XINWEN SHE) -- China is equipping its Navy with more and more missiles.

Missiles have become an important weapon for China's coast defense. Now the Chinese Navy possesses shore-based tactical missiles and anti-shipping tactical missiles, as well as submarine-to-land strategic missiles. It is reported that in addition to speeding up the development of new submarine-to-land strategic missiles, China is also speeding up the updating of tactical missiles. It is proceeding in the direction of producing supersonic and super-low-altitude long-distance missiles and precision guidance systems. New technologies such as multiple-guidance and micro-electronics have been successively applied. Personnel concerned say that by the time New China celebrates the 40th anniversary of its founding, the Chinese Navy will possess a new generation of missiles.

The Chinese Navy began developing guided missiles in the late 1950's. The other forces developed other weapons at the same time. A dozen years later, China began to design and manufacture its own weapons. At first there was only one kind of missile -- namely shore-based missiles. Later, there were many more kinds of missiles, including shore-to-ship missiles, ship-to-ship missiles, ship-to-air missiles, and air-to-ship missiles. In October 1980 a submarine successfully launched a submarine-to-land missile from under water, thus adding to the strength of China's coast defense.

The performance of the Chinese-built missiles has reached a rather advanced level in several respects. For example, its shore-based missiles are capable of super-low-altitude cruising. Equipped with several kinds of new guidance systems, they have rather great penetrating power and antijamming power. Sheltered by high mountains and steep cliffs, or deployed in island strongholds, these missiles can deal heavy blows to invading vessels. Aircraft carrying such missiles can effectively take concerted actions against surface vessels, resist landing forces, and launch short-distance or medium-distance attacks on the enemy's surface vessels. An anti-shipping missile, which has been dubbed "China's Exocet," is a multipurpose missile. It can be carried by surface vessels, submarines, or aircraft. In addition, it can also be carried and launched by mobile trucks on land, thus constituting part of the coastal defense firepower. This kind of missile can skim over the water surface (that means it can fly at a very low altitude) and can be launched in complicated circumstances. With its accurate guidance system it can automatically hit the target after launching. Thus, it has great destructive power. It can sink surface vessels larger than destroyers.

China is a big country bordering the sea. It has 18,000 km of coastline and several thousand islands and islets. In the past, because of the absence of coastal defense, China suffered badly from sea attacks mounted by imperialist powers. Today the Chinese Navy is trying its best to strengthen China's coastal defense, and arming itself with missiles has been one of the measures adopted.

RENMIN RIBAO ON SUCCESS OF SPACE RESEARCH VESSEL

HK130943 Beijing RENMIN RIBAO in Chinese 9 Nov 84 p 4

[Article by Zheng Qianli: "A Science Town on the Sea"]

[Text] The oceangoing space research vessel belonging to the Commission of Science, Technology, and Industry for National Defense is like a floating city. It can generate enough power for the daily use of 100,000 people. At night, brilliant light shines through each porthole on its nine decks.

It is a palace of science topped by a confusing jungle of towering antennae. It is equipped with modern electronic computers, telemeters, laser apparatus, radar, satellite navigation facilities, and facilities for meteorological assurance and logistic support, and medical and first-aid facilities. Its division into departments and fields of study is by no means inferior to those in "cradles of engineers," that is, institutions of higher learning.

Painted in gold on the bow is the name of the space research vessel: Looking Afar [Yuan Wang -- 6678 2598].

The research vessel, whose construction was completed in 1978, was launched in the same year. Since then, it has brilliantly fulfilled the tasks of surveying the target zones for carrier rockets in the South Pacific, or surveying the target zones for submarine-launched rockets, and of observing experimental telecommunications satellites. Each research vessel can cover more than 60,000 nautical miles, or, in other words, sail round the earth 2.8 times, on each voyage.

Since the high development of space technology, man, with his intelligent eyes, has always looked forward to launching satellites, to conducting experiments with carrier rockets, and to the splashing down of space vessels in the immense oceans. In 1965, our respected and beloved Premier Zhou tentatively put forward the magnificent idea of building a fleet of oceangoing space research vessels.

The noble dream has eventually come true. In May, 1980, MV Looking Afar left the motherland's east coast for a point at 7 degrees south, 171 degrees east, to launch an experimental carrier rocket launched by our country. The event immediately aroused the attention of the countries of the world.

The voyage was in fact a grand array of our marine technological force. Thousands of Chinese-built electronic facilities showed their superb efficiency on the occasion. As soon as the carrier rocket shot into the sky, the apparatus and instruments on board MV Looking Afar caught their target and accurately predicted the splashing-down point of the carrier rocket.

Since then, MV Looking Afar has twice navigated the Pacific Ocean. It has added to the prestige of the country and the Army. In addition, it has also added glory to history.

Oh, looking afar! Looking afar from the floating science town, one can see: rockets shooting into the sky, satellites synchronously orbiting the earth, and the cream of the Chinese nation making unremitting efforts to improve themselves under the immense sky!

BEIJING RESIDENTS INDIGNANT OVER TEACHER BEATING

OW101142 Beijing XINHUA in English 1125 GMT 10 Nov 84

[Text] Beijing, November 10 (XINHUA) -- Today's BEIJING DAILY reports that the beating of several middle school teachers by members of a transport company recently has aroused indignation among Beijing residents. While condemning the assailants, a reader noted that humiliation and maltreatment of teachers, or any other citizens, must not be tolerated. This was especially so when education was of vital significance to the country's modernization program, he added. Other readers described the incident as part of the "pernicious influence" of the Cultural Revolution when teachers and other intellectuals suffered much persecution.

The event took place late last month because of disputes between the school and the company on some construction projects. Several members of the company broke into the school on the evening of October 29 and beat up the teachers with wooden staves and iron bars, seriously injuring three of them. Police rushed to the scene and arrested seven assailants afterwards. The injured were hospitalized immediately.

Some classes were cancelled in the next two days because students were too frightened to come to school.

Municipal Communist Party Committee Secretary Jia Chunwang called on the injured teachers in the hospital and officials from the municipal educational workers trade union inspected the school, while school activities resumed.

The event, reported by the BEIJING DAILY on November 5, aroused much concern among the paper's readership, especially among teachers. Leaders of the Educational Workers Union called a meeting to discuss police investigations of the event and denounced the assailants. They called for citywide efforts to halt the occurrence of similar cases and cultivate greater respect for teachers and other intellectuals.

GU MU ADDRESSES MEETING ON COMBATTING SMUGGLING

0W111223 Beijing XINHUA Domestic Service in Chinese 1239 GMT 9 Nov 84

[Text] Beijing, 9 Nov (XINHUA) -- The fourth work meeting on taking strong measures against smuggling in the three coastal provinces in southeast China, which ended in Beijing on 8 November, pointed out: While grasping well the work of enlivening the national economy and opening to the outside world, departments concerned in all related areas must continue launching the struggle against smuggling to guarantee the smooth progress of the reform of the economic system and socialist modernization.

Sponsored by the State Council, the meeting opened on 3 November. State Councilor Gu Mu was present and spoke at the meeting.

He said: Over the past 3 years and more, Guangdong, Fujian, and Zhejiang, resolutely implementing the directive by the party Central Committee, the State Council, and the Central Military Commission on cracking down on smuggling, have done a lot of work and achieved very great results. At present, the trends of smuggling and peddling smuggled goods have been curbed; smugglers' activities have been greatly weakened; the vast number of cadres and the masses have tempered themselves and enhanced their vigilance through the struggle; the situation in fishery and the general mood of society along the coast have improved year by year. We may say that we have won an important victory in the struggle against smuggling. However, we must be soberly aware that the criminal activities of smuggling have not entirely ceased and are even more serious in some areas and that the smugglers' skill in committing crimes has also become all the more crafty and concealed. Due to the difference of the prices of some products and materials abroad and the existence of international criminal gangs of smugglers, law-breaking criminals at home will always spare no effort to avail themselves of loopholes to sabotage and spread disturbances. Therefore, the struggle against smuggling will be carried out on a long-term basis.

We must fully understand the protracted, herculean, and complicated nature of this struggle and make unremitting efforts to continue firmly grasping this antismuggling task well. Guangdong, Fujian, and Zhejiang must continue strengthening the leadership over the struggle against smuggling, sum up experience, commend the advanced, and close loopholes. The customs; public security; industrial and commercial administration and management; and tax departments must bring their functions into full play, modernize their related outfit and equipment, and gradually turn the struggle against smuggling into a regular and normal practice. It is necessary to continue making comprehensive efforts and reorganize well the leading bodies of a very small number of districts and townships where smuggling is rampant by integrating the efforts with party rectification. It is necessary to conduct investigation and study on the work of handling smuggling cases, know well the trends of smuggling and smugglers' tracks in good time, and adopt the most effective countermeasures to strike surely, accurately, and relentlessly at them. It is also necessary to attentively study and resolve the policy questions on struggling against smuggling under the new circumstances, clarify the demarcation line of the policy, and promote the implementation of the policy of enlivening the national economy and opening to the outside world.

Gu Mu said: At present, all party members and the people throughout the country are seriously studying the documents of the 3d Plenary Session of the 12th CPC Central Committee, further implementing the policy of enlivening the national economy and opening to the outside world, deepening the economic system reform, and making efforts to create a new situation in socialist modernization. To continue grasping well the struggle against smuggling is also an important task concerning whether or not we can guarantee the successful implementation of the guidelines of the 3d Plenary Session of the 12th CPC Central Committee. Departments concerned in all related areas must further deepen their understanding and seriously grasp this task firmly and well to win a new victory in the struggle against smuggling.

Present at the meeting were comrades from Guangdong, Fujian, and Zhejiang as well as from the departments concerned under the State Council. The meeting recalled and summed up the achievements made and experience acquired in the struggle against smuggling over the past few years, analyzed the smugglers' trends at present, and studied and offered ideas of work for further opposing smuggling.

COMPANY TO MAKE FILM ON STRUGGLE FOR FORTUNE

OW092027 Beijing XINHUA in English 1651 GMT 9 Nov 84

[Text] Beijing, November 9 (XINHUA) -- A major film is to be made of a true-life saga of international intrigue and violence, which ended with a Beijing family becoming multi-millionaires.

The struggle for the Zhao family fortune, estimated as being worth 24 billion Japanese yen ended on September 7 this year, when a Japanese court ruled that Madame Zhao Biyan, 84, and her only son, Zhao Zongyang, of Beijing, were the sole heirs.

At a press conference here tonight it was announced that the China Film Co-production Corporation was to make a film and TV series of the saga. CFCC manager Li Zhimin said his corporation had reached agreement with the Zhaos and leading Chinese scriptwriter Liang Xin to go ahead with the project. The screenplay is likely to be ready by next June, but no completion date for the film has yet been fixed. Meanwhile, the CFCC will choose a Japanese film maker as its partner.

Madame Zhao is the widow of Zhao Xinbo, former president of the legislature of the Japanese puppet state of Manchuguo, in north-eastern China.

In 1938, she followed her husband -- who died of a brain haemorrhage in 1951 -- to Japan, where they left behind a huge fortune of land, gold bars and jewelry. After their subsequent return to China and the death of their property attorney in Japan, the fortune became the subject of a long-running legal battle.

Zhao Zongyang, 59, who attended tonight's press conference, said that over the years there were more than 70 rival claims to the fortune from swindlers from Japan, Macao, Taiwan and Malaysia. Three pretended to be his mother, and others claimed to be her descendants or sons-in-law. One, knowing that Zhao Zongyang was blind in one eye, even gouged out one of his own. Other clashes and even murder followed in the quest for the riches.

Zhao Zongyang, who has three sons and a daughter, and who works for the Beijing Social Welfare Foundation, said: "It's hard to say how much the fortune is worth, although one Japanese newspaper has estimated it to amount to 24 billion yen." He expressed his thanks to the Chinese Government for its support, and to Japanese friends and the court for upholding justice.

In 1964, when Liao Chengzhi, the [words indistinct] of the then Overseas Chinese Affairs Commission, heard of the matter, he immediately sent people to look for Madame Zhao, who was said to have died in Japan. Eventually they found her living in Beijing.

Asked how he would use his windfall, Zhao Zongyang said: "It will be used for the Chinese people, Overseas Chinese and the development of Sino-Japanese friendship." The fortune was still in Japan. Paperwork had not been completed, and he had not decided on exactly how the money would be used. He added: "With so much money, Zhao Zongyang is still Zhao Zongyang. I have a deep love for my country."

FANG YI CITES DENG XIAOPING ON CADRE EXPERTISE

OW131628 Beijing XINHUA in English 1453 GMT 13 Nov 84

[Text] Beijing, November 13 (XINHUA) -- "Respect knowledge and people with expertise" -- this is the most important decision adopted at the Third Plenum of the 12th Chinese Communist Party Central Committee held last month. A senior Chinese party and government official today quoted Deng Xiaoping as saying so recently.

Fang Yi, member of the party Central Committee's Political Bureau and state councillor, quoted Deng as saying of the ten parts contained in the plenum's decision, the most important is part nine: "Promote a new generation of cadres and create a mighty contingent of managerial personnel for the socialist economy". Deng was reportedly to have summarized the part with eight Chinese characters meaning "Respect knowledge and people with expertise".

Fang Yi was speaking today at the opening session of a national work conference aimed at enabling such people to give full scope to their initiative and ability. It is now expected that the conference will result in the establishment of a national center coordinating the work.

Again Fang called for ending prejudice and discrimination against talented people, which he described as part of the "remaining poisonous influence of the 'Cultural Revolution' (1966-76)".

During the "Cultural Revolution", or the "period of ten years' national turmoil and disorder" in the current Chinese terminology, knowledge was the synonym of reaction and millions of intellectuals were sent down to farms and factories for "re-education" through hard work. The success or failure of China's modernization now hinges on how people with experts are used, Fang Yi stressed.

BEIJING CEREMONY MARKS SUN YAT-SEN BIRTHDAY

OW120902 Beijing XINHUA in English 0822 GMT 12 Nov 84

[Text] Beijing, November 12 (XINHUA) -- A ceremony to commemorate the 118th birthday of Dr. Sun Yat-sen, Chinese revolution pioneer, was held here this morning in Zhongshan Park.

The ceremony was attended by over 100 figures from various circles in Beijing, including Xu Deheng and Zhu Xuefan, vice-chairmen of the Standing Committee of the National People's Congress, and Yang Jingren, Cheng Zihua, Kang Keqing, Wang Kunlun, Lu Zhengcao, Burhan Shahidi, Miao Yuntai, Deng Zhaoxiang, Fei Xiaotong, Qu Wu and Mao Yisheng, vice-chairmen of the National Committee of the Chinese People's Political Consultative Conference (CPPCC).

After Qu Wu, who is also vice-chairman of the Central Committee of the Revolutionary Committee of the Chinese Kuomintang, opened the ceremony at 10 a.m., all participants stood in silent tribute before a portrait of Sun.

Baskets of flowers were laid by representatives of the CPPCC National Committee, the Central Committee of the Revolutionary Committee of the Chinese Kuomintang, the United Front Work Department of the Chinese Communist Party Central Committee, and the Beijing Municipal People's Government.

Also attending the ceremony were members of the Standing Committees of the National People's Congress and the CPPCC National Committee as well as leaders of the Revolutionary Committee of the Chinese Kuomintang. Similar activities were held in Shanghai, Guangzhou, Nanjing and Wuhan.

CHEN MUHUA ATTENDS PAPER'S ANNIVERSARY MEETING

OW131157 Beijing Domestic Service in Mandarin 1200 GMT 10 Nov 84

[Text] The General Office of RENMIN RIBAO and the Editorial Department of SHICHANG BAO held a commemoration meeting this morning to mark the latter's fifth anniversary. Speaking at the meeting, Chen Muhua, alternate member of the Political Bureau of the CPC Central Committee, expressed the hope that SHICHANG BAO would carry some foreign economic news and especially information about reactions to our products on the international market. Through the feedback of information, she hoped, our work will be improved.

CHEN MUHUA ATTENDS FLORICULTURE COMPANY MEETING

OW121421 Beijing XINHUA Domestic Service in Chinese 0906 GMT 10 Nov 84

[By reporters Yan Zhenguo and Pan Shantang]

[Excerpts] Beijing, 10 Nov (XINHUA) — The Shoudi Floriculture Joint Development Company was inaugurated in Beijing today. State Councillor Chen Muhua is the honorary chairman and Vice Mayor Huang Chao is the chairman of the company's board of directors. [passage omitted]

The company's main tasks are to study and formulate plans for developing floriculture in the Beijing area; facilitate the links between producer, supplier, and marketing units at home and abroad; provide information for floricultural production, management, and marketing; offer technical consultations on floriculture; and import foreign capital, technology, equipment, seedlings, and saplings in a planned manner.

Chen Muhua, He Kang, minister of agriculture, animal husbandry, and fishery, and other responsible comrades attended the company's inaugural meeting.

VICE PREMIER LI PENG INSPECTS CHONGQING

HK100241 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 9 Nov 84

[Text] According to SICHUAN RIBAO, State Council Vice Premier Li Peng arrived in Chongqing City on 8 November to inspect work there. That evening, Wang Qian, Liao Bokang, and (Xiao Yang), responsible comrades of the city CPC Committee and government, reported to Vice Premier Li Peng on their views and opinions on the three gorges project on the Chang Jiang, and spoke on the trial project in comprehensive reform of the economic structure, and on economic development in the city in recent years. They also reported on a number of current energy and transportation problems that need urgent solution.

After hearing these reports, Vice Premier Li Peng pointed out with satisfaction: Since the 3d Plenary Session of the 11th Central Committee, and especially in the past 2 years, Chongqing City has scored very great achievements in work and the reform of the economic structure has yielded results. Many good experiences have been summed up. The city has been praised by leading central comrades on many occasions.

He expressed the hope that the city would seriously implement the spirit of the 3d Plenary Session of the 12th CPC Central Committee, continue to carry out bold exploration in reforming the economic structure, sum up experiences, embark on new roads, and score new achievements.

During his stay in Chongqing, Vice Premier Li Peng has also inspected the Jialing machinery plant, the extension of the Chongqing power station, the Beibei hydrological station, and Chongqing industrial product trading center. Vice Premier Li Peng and his party will make a boat trip today [10 November] to inspect the three gorges on the Chang Jiang.

JIANGXI'S BAI DONGCAI INVOLVED IN RECTIFICATION

OW140219 Beijing XINHUA Domestic Service in Chinese 0840 GMT 12 Nov 84

[Excerpts] Nanchang, 12 Nov (XINHUA) -- After the party rectification entered the phase of rectification and correction, leading cadres of the Jiangxi Provincial CPC Committee, the Jiangxi Provincial People's Government, and all departments, committees, and bureaus under the provincial government successively went to the basic-level units to conduct investigation and listen to the opinions aired by the masses; they formulated rectification and correction measures accordingly.

The Jiangxi Provincial CPC Committee has made it an important point in rectification and correction to change the style of leading cadres and organs. When the phase of comparison and examination of party rectification ended this summer, Bai Dongcai, first secretary of the Jiangxi Provincial CPC Committee, and Wu Qin and Zhao Zengyi, secretaries of the committee, immediately took the lead in conducting investigation and study at basic-level units. Later, 137 bureau-level cadres led over 700 office cadres and scientific, technical and managerial personnel in some 100 ad hoc groups to conduct investigation in rural areas, factories, and mines, as well as shops and stores. All of these groups made good-quality investigation reports after their return.

After their investigations at basic-level units, leading cadres have paid still more attention to changing the work style of leading organs. Recently, the provincial CPC Committee and the provincial government deactivated 38 provisional organizations and increased the duties and responsibilities of all departments. The personal responsibility system has been instituted at the general office of the provincial government, and work efficiency there has markedly improved. The general office now handles all decisions made at the governor's work meetings, responding to or settling all matters.

JIANGSU IMPROVES ECONOMIC MANAGEMENT BY MERGER

OW091401 Beijing XINHUA Domestic Service in Chinese 1501 GMT 8 Nov 84

[By reporter Zhang Xingduan]

[Excerpts] Nanjing, 8 Nov (XINHUA) -- The merger of the Planning Commission and the Economic Commission into a provincial Planning and Economic Commission in Jiangsu Province 1 year ago has improved unified economic guidance and policy coordination, simplified administration and reduced wrangles, and improved office working efficiency in the province.

The merger has promoted coordination between macroscopic planning and microscopic guidance with regard to regional economic development. "To develop northern Jiangsu and improve southern Jiangsu" is an important policy decision made by the provincial party committee and the provincial government. In the past, the Planning Commission and the Economic Commission did a great deal of work in this regard, but they failed to coordinate macroscopic planning with microscopic guidance. Soon after its inception, the Planning and Economic Commission organized a number of cadres to conduct investigations and studies in northern Jiangsu and find out ways to develop the economy there.

The Planning and Economic Commission has now begun to provide information services. In the past, neither the Planning Commission nor the Economic Commission offered information services. After its inception, the Planning and Economic Commission immediately set up an "economic information center" and published JIANGSU JINGJI XINXI [JIANGSU ECONOMIC INFORMATION].

It will soon also publish JIANGSU XINXI BAO [JIANGSU INFORMATION NEWS] to actively serve the development of socialist commodity economy.

Because the Jiangsu Provincial Planning and Economic Commission is new, some problems related to its internal organization and operational coordination still have to be studied. Questions remain to be resolved in the course of further reform.

SU YIRAN ATTENDS SHANDONG RETIRED CADRES RALLY

SK140341 Jinan Shandong Provincial Service in Mandarin 2300 GMT 13 Nov 84

[Text] On the morning of 13 November, the Shandong Provincial CPC Committee held a rally at Jinan's Zhenzhuquan Auditorium attended by retired cadres at and above the department and bureau levels of provincial organs to relay the guidelines of the 3d Plenary Session of the 12th CPC Central Committee and the important speeches given by Comrade Hu Yaobang during his recent inspection tour in our province. Su Yiran, secretary of the provincial CPC Committee, presided over the rally. He relayed the guidelines of the 3d Plenary Session of the 12th CPC Central Committee and introduced Comrade Hu Yaobang's inspection tour in our province. Lu Maozeng, deputy secretary of the provincial CPC Committee, relayed the important speeches given by Comrade Hu Yaobang after listening to the work reports of the CPC Committees of Yantai, Qingdao, Linyi, and Dezhou Prefectures and Cities.

Comrade Su Yiran also spoke on what the Standing Committee members of the provincial CPC Committee had learned after studying the decision of the 3d Plenary Session of the 12th CPC Central Committee, and relayed the guidelines of the enlarged Standing Committee, and relayed the guidelines of the enlarged Standing Committee meeting of the provincial CPC Committee which concluded on 11 November. The provincial CPC Committee urged retired veteran comrades to study conscientiously the PRC Central Committee's decision on economic system reform and Comrade Hu Yaobang's important speeches given during his inspection tour in our province, and make new contributions to the successful reform of the province's economic system, the fulfillment of the 100-percent-increase target, and the prosperity of the people and of Shandong Province.

HU LIJIAO, WANG DAOHAN ATTEND SHANGHAI MEETING

OW130933 Shanghai City Service in Mandarin 2300 GMT 10 Nov 84

[Text] Hu Lijiao, second secretary of the Shanghai Municipal CPC Committee and chairman of the Standing Committee of the municipal People's Congress, and Wang Daohan, secretary of the Shanghai Municipal CPC Committee and mayor of Shanghai, attended the closing ceremony of the Shanghai Municipal Congress of returned Overseas Chinese and dependents of Chinese nationals living abroad yesterday. On behalf of the Shanghai Municipal CPC Committee and the municipal government, Wang Daohan warmly greeted the congress on its complete success.

Before the closing of the congress, the names of those elected yesterday to become members of the fifth committee of the municipal Federation of Returned Overseas Chinese were announced. (Huang Weiyuan), a renowned scientist returned from the United States, was elected chairman of the federation.

SHANGHAI COLLEGES OFFER MORE ELECTIVE COURSES

OW131415 Beijing XINHUA in English 1156 GMT 13 Nov 84

[Text] Shanghai, November 13 (XINHUA) -- Shanghai universities have set up more special departments for graduates and opened over 3,000 elective courses.

The aim is to train students with a broader range of knowledge to meet the needs of the nation's modernization. Shanghai's forty-five universities and colleges have a total of over 400 specialities, a 5.3 times increase than in 1952.

New science courses include computers, genetic engineering, bio-engineering, laser and optical fiber communications. Universities also offer social service courses such as banking, trade, transport and tourism. Four universities and colleges have enrolled graduates for another two years of study in new subjects. The Shanghai Polytechnic this year chose technical graduates to be trained in foreign trade. The students will be given a second bachelor's degree upon graduation.

Two groups of graduates who studied engineering as well as foreign trade at Shanghai's Jiaotong University have gained positions with the municipal Foreign Trade Departments, companies and enterprises. To widen students' knowledge, universities and colleges have opened liberal arts courses for engineering students and scientific and engineering courses for liberal arts students. Some universities offer a bi-disciplinary degree to graduates of science and engineering who have also passed examinations in either of the three elective subjects: computation mathematics, dynamic data systems and biology.

ZHEJIANG ARMMEN HEAR REPORT ON BORDER HEROISM

0W121421 Hangzhou ZHEJIANG RIBAO in Chinese 1 Nov 84 p 1

[Dispatch by Qi Buhua]

[Excerpts] On the morning of 31 October, some 1,300 people, listened very respectfully to the first report by the report group of heroes and model persons of the Yunnan border defense force on the self-defense counterattacks against the Vietnamese at Laoshan and Zheyinshan. The audience included the cadres and fighters of the Zhejiang Military District, the Army, Navy and Air Force units in Hangzhou, and the provincial Armed Police Corps, and the representatives of the Zhejiang Provincial CYL Committee.

Leading comrades of the Zhejiang Provincial CPC Committee, the Zhejiang Military District and the Hangzhou City CPC Committee attended the report meeting. They included Chen Fawen, Luo Dong, Kang Mingcai, Wang Wenhui, and Zhang Junsheng. In the next few days, the report group will visit Jinhua, Zhoushan and other places to make reports there.

CORRECTION TO NANJING MILITARY LEADER NEGATES 16 MAY CIRCULAR

The following correction should be made to the item headlined "Nanjing Military Leader Negates 16 May Circular," published in the 6 Nov China DAILY REPORT, on page 0 1:

Headline, subslug, and 1st paragraph, line four should read: "16 May" ... (substituted for "16 May Circular")

REN ZHONGYI ON GUANGDONG SPECIALIZED HOUSEHOLDS

OW091237 Beijing XINHUA Domestic Service in Chinese 0120 GMT 9 Nov 84

[Text] Beijing, 9 Nov (XINHUA) -- Ren Zhongyi, first secretary of the Guangdong Provincial CPC Committee, wrote an article for the 21st edition of BAN YUE TAN published on 10 November. The article is entitled "Specialized Households Should Take the Lead in Seven Areas." The full text follows:

Rural specialized households in Guangdong have achieved rapid development in recent years. There are three distinct hallmarks of their rapid development: First, specialized households have progressed from contracting lands to engaging in relatively large-scale development projects on beaches and in undeveloped mountainous areas; second, they have progressed from contracting production tasks individually to making joint investment and starting joint operations on the basis of voluntary participation and mutual benefits; third, they have progressed from growing crops alone to engaging in fisheries, forestry, the raising of livestock and poultry, transportation, service trades, and other undertakings. The emergence of assorted specialized households in large number not only has rapidly changed the face of the countryside but has also vigorously pushed forward the development of the entire national economy.

Not long ago, our province convened a rally to commend a number of fine rural specialized households, introduce their experiences, and discuss ways to developing specialized households faster and in a better way. It was suggested that we show concern for specialized households and guide them in taking the lead in seven areas:

1. Take the lead in implementing the party's line, principles, and policies, as well as in responding to the calls of the party. Specialized households should be enthusiastic followers of the party in the countryside in the new historical period.
2. Take the lead in working hard and doing pioneering work. Specialized households should become the most diligent workers in the countryside. They should be the ones who love work most and are good at production and management. The party's policy encourages the peasants to get rich through hard work. Judging from the standpoint of development, a 10,000-yuan household cannot be regarded as rich enough. It should work harder and become richer. To achieve greater prosperity, specialized households should work harder and with greater creativity.
3. Set the pace in learning and popularizing new technology. Specialized households should be the active users and disseminators of new knowledge and technology in the countryside.
4. Take the lead in reforming and strengthening operation and management. Specialized households should be enthusiastic in promoting reforms and be quicker than others in learning and creating advanced experience of operation and management.
5. Take the lead in showing concern for the collective and in wholeheartedly promoting public welfare undertakings. Many specialized households in Guangdong have not forgotten their collectives, fellow villagers, or neighbors after they prospered. They have actively helped localities in running schools and in sponsoring cultural and other public welfare undertakings. They have assisted five-guarantee and other poor households. With the development of production and the increase in the number of well-to-do people in the countryside, many "philanthropists" of the socialist era will come forth.

However, we must bear in mind that it is entirely up to the specialized households to be philanthropic. No one is allowed to force them to contribute money or time for this or that purpose. The various departments must not become jealous of or infuriated at those specialized households which have prospered first.

6. Take the lead in making contributions to the state. If a specialized household devotes all its attention to making money for itself and does not pay any attention to what it can contribute to the state, then it is not advanced at all. We must take note of this in giving publicity to specialized households. We must not only publicize how they achieved prosperity but also publicize their contributions to the state and society.

7. Take the lead in building socialist spiritual civilization. Specialized households should be good at production as study. In addition to acquiring an elementary education and some scientific and technological knowledge, they should also study politics, current events, and policies. They should concern themselves with the affairs of the state. They should listen to radios or read newspapers regularly. They should uphold professional and commercial ethics. Specialized households should be well-educated, law-abiding socialist workers who have ideals and moral values.

To ensure that specialized households will be pacesetters in the seven areas, party committees at all levels should care for them politically and pay attention to strengthening their education in Marxism-Leninism-Mao Zedong Thought, socialism, collectivism, patriotism, and the party's line, principles, and policies as well as their education in how to correctly handle the relations between the state, the collective, and individuals so that they can achieve good results in production and continuously enhance their political awareness. Party organizations should actively admit into the party those specialized households who have applied for party membership, provided that they are really qualified.

GUANGXI MEETING RELAYS CENTRAL DECISION

HK120421 Nanning Guangxi Regional Service in Mandarin 1130 GMT 11 Nov 84

[Excerpts] A cadre meeting was convened by the regional CPC Committee in Nanning from 5 to 10 November to convey and study the decision of the 3d Plenary Session of the 12th Central Committee. The meeting was attended by leading comrades of all prefectoral, city, and county CPC committees, and leading comrades of Guangxi Military District, Liuzhou Railway Bureau, and party groups and branches of regional units, totaling 270 persons. Regional CPC Committee First Secretary Qiao Xiaoguang; Regional CPC Committee Deputy Secretary and Government Chairman Wei Chunshu; Regional CPC Committee Deputy Secretaries Huang Yun, Jin Baosheng, and Chen Huiguang; Regional People's Congress Standing Committee Chairman Huang Rong; and Regional CPPCC Chairman Qin Yingji attended the meeting. Comrade Liu Geng, a responsible person of the Guangxi liaison group of the central Commission for Guiding Party Rectification, and other comrades of the group, were also present.

Comrade Qiao Xiaoguang pointed out in his speech at the meeting: The 3d Plenary Session of the 12th CPC Central Committee was a meeting of major significance and far reaching influence in the party's history. The decision adopted by the plenary session was another brilliant example, following the 3d Plenary Session of the 11th CPC Central Committee, of emancipating the mind and seeking truth from facts. It is a programmatic document guiding the reform of the economic structure in China. It is essential to make great efforts to genuinely grasp the spirit of this document. It certainly cannot be studied well just by reading it twice or holding a couple of meetings.

Comrade Qiao Xiaoguang particularly pointed out: In the past, we failed to effectively implement the spirit of the 3d Plenary Session of the 11th Central Committee, because we had not studied it well. This time we must absorb the lessons and experiences of the past, seriously study the decision, profoundly appreciate, digest, and understand it, and apply it to guide the practice of reform.

Comrade Qiao Xiaoguang said: The contents of the decision are extremely rich and all 10 portions are very important. However, there are three focal portions, numbers 3, 5, and 9. These are: Invigorate the enterprises, reform the price system, and respect knowledge and talent. The last is the most important of these. This is because it is a major issue related to whether the party's cause can flourish and develop. I hope the party committees at all levels will attach importance to this question and solve it.

Comrade Qiao Xiaoguang also demanded that the party committees at all levels get a good grasp of five matters in the 3 months before the spring festival: 1) Seriously study, publicize, and implement the decision of the 3d Plenary Session of the 12th Central Committee. 2) Seriously grasp economic work. 3) Grasp party rectification and the work of handling problems left over from the Cultural Revolution. 4) Continue to readjust the leadership groups at all levels. 5) Carry out studies for the Seventh 5-Year Plan.

Comrade Qiao Xiaoguang said in conclusion: Although there are very great difficulties in our work, there are also many favorable conditions. So long as we uphold the spirit of seeking truth from facts, further emancipate our minds, rely on the wisdom of the party members and the masses, seriously implement the spirit of the 3d Plenary Session of the 12th Central Committee, handle well problems left over from the Cultural Revolution, and get a good grasp of party rectification, then, as pointed out by a leading central comrade, a sudden change will rapidly occur in Guangxi, and a situation of politics straightened out and people living in harmony and of economic prosperity will very soon arrive.

GUANGDONG CPC HOLDS STANDING COMMITTEE MEETING

HK130343 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 12 Nov 84

[Excerpts] The Guangdong Provincial CPC Committee held an enlarged Standing Committee meeting from 7 to 10 November. Provincial CPC Committee Secretaries Lin Ruo, Liang Lingguang, Xie Fei, Wu Nansheng, and Wang Ning presided at the meeting. The views of Comrade Ren Zhongyi, given before leaving the country for a visit abroad, on studying and implementing the spirit of the third plenary session were printed and distributed at the meeting. Comrades Lin Ruo and Liang Lingguang conveyed the spirit of the third plenary session. Comrade Liang Lingguang spoke on reforming the economic structure. After lively discussion, everyone expressed resolute support for the decision of the third plenary session and gained further understanding on a whole series of major issues. The meeting also made arrangements for work this winter and next spring. Comrade Lin Ruo delivered a summation. Comrade Lin Runsheng, director of the Rural Policy Study Office of the CPC Central Committee Secretariat, who is currently in Guangdong, was invited to deliver an important report.

The meeting was attended by principal responsible persons of cities, prefectures, and counties, provincial organs, large enterprises, institutes of higher education, and scientific research organs. The meeting held: The decision of the third plenary session constitutes political economics which integrates the basic principles of Marxism with the practice of China's socialism. It is a programmatic document for guiding China in carrying out reforms of the economic structure with the focus on the urban areas.

It is the blueprint for building socialism with Chinese characteristics. The party committees at all levels must organize the cadres and masses to seriously study it, further emancipate their minds, and boldly break through the bindings of leftist ideology in eight aspects:

1. Eliminate fixed concepts in understanding socialism that do not accord with the actual conditions, and establish the idea that helping to develop the social productive forces should be regarded as the main criterion for testing the success or failure of any reform. We should boldly create socialism with Chinese characteristics.
2. Eliminate the ideological shackles of not daring to take in, refer to, or apply the advanced management methods of developed countries, and popularize and apply management methods that reflect the laws of modern socialized production.
3. Eliminate the fixed concept that the development of a socialist commodity is capitalism, and correct the erroneous method of pitting planned economy against commodity economy and separating the two.
4. Eliminate the erroneous concept of confusing ownership by the whole people with direct management of enterprises by the state organs, and clearly understand that there can be appropriate separation between ownership powers and management powers.
5. Eliminate the notion that competition is uniquely capitalist phenomenon, and thus not daring to engage in competition, opposing it, and being content with monopoly in operations.
6. Eliminate the outdated concept of regarding individual economy as a factory of capitalism.
7. Eliminate the idea of closing the door and not daring to open up markets in the province and outside it, including other countries, and make full use of resources in the province and outside it.
8. Eliminate the old set of leadership and work methods and the outdated rules and regulations that run counter to the notion of giving the enterprises decisionmaking powers.

The meeting held that reform of the entire economic structure, with the focus on the towns, is a major affair related to the future of the country and to the vital interests of the millions of masses. We must get a thoroughly good grasp of it in accordance with the unified arrangements of the central authorities. At present, Guangdong should focus on grasping the following tasks in reforming the economic structure:

1. Seriously reform the universal defect of everyone eating out of the same big pot in urban enterprises, and do a good job in the second stage of replacing profit delivery with tax payment.
2. Reform the management system in the building trade and in capital construction.
3. Reform the circulation system and unclog the circulation channels.
4. Separate government administration from enterprise management, streamline administration, delegate powers to lower levels, and bring into play the role of key cities.

The meeting held: The cardinal link in the reforms is to invigorate the enterprises.

At present we should mainly grasp the following points: 1) Seriously expand enterprise decisionmaking powers; 2) reform the enterprise leadership system and actively promote the managerial responsibility system; 3) Following the separation of government administration from enterprise management, the economic management departments must change their old work methods and learn how to use economic levers and methods to manage the economy. By doing a good job in these reforms, and also completing the reforms in the planning structure, the price structure, and the wage system, we will be able to solve the problem of the enterprises' vitality.

The meeting held: Generally speaking, party rectification work has been done well in the first batch of units undertaking it in the province, and notable success has been scored. The second stage, that is, rectification in the city, prefectoral, and county organs and in enterprises and units at and below county level, will be launched this winter and next spring. The meeting called on party committees at all levels to seriously grasp party rectification work, the better to stimulate the smooth progress of reforms of the economic structure.

The meeting also made arrangements for strengthening education in party style and discipline, boldly employing and cultivating large numbers of middle-aged and young cadres, stepping up ideological and political work, grasping the building of spiritual civilization, and so on.

GUANGZHOU PLA ARRANGES PARTY MEMBER REGISTRATION

HK100555 Guangzhou NANFANG RIBAO in Chinese 9 Nov 84 p 1

[Report: "Guangzhou Military Region CPC Committee Holds Meeting To Arrange Organizational Handling and Registration of Party Members in the First Group of Units Carrying Out Party Rectification"]

[Text] On 8 November the Guangzhou Military Region CPC Committee held a meeting of party branch members and party group heads in the first group of units carrying out party rectification, to make arrangements for the stage of organizational handling and registration of party members.

Guangzhou Military Region Command You Taizhong presided at the meeting. Zhang Xudeng, deputy commander of the military region and director of its party rectification office, conveyed the views of the first group of units carrying out party rectification on doing a good job in the organizational handling and registration of party members.

Comrades from the military region's pilot projects in party member registration -- the Confidential Bureau of the Headquarters, the cadre theory study course, and the Ordnance Department of the Logistics Department -- introduced their methods and experiences in the registration of party members. Wang Meng, Guangzhou Military Region political commissar, made a speech on behalf of the CPC Committee of the military region. He demanded that everyone profoundly understand the importance of doing a good job in the organizational handling and registration of party members and clearly realize that it is a continuation and deepening of the previous stages of party rectification and constitutes reeducation in the criteria for party members and reenhancement of their concept of party spirit. He said that the guiding ideology in the organizational handling and registration of party members is to maintain the party's purity and its progressive nature. In registration work, it is necessary to adopt positive principles, bring positive factors into play, seriously grasp ideological education, and focus on enhancing party members' concept of party spirit and of organization and discipline.

At the same time, in accordance with the criteria for party members, it is necessary to weigh things up in a specific way and guarantee the quality of registration. It is necessary to have a strict grasp of party policies. In deciding whatever party members should be registered, whether their registration should be deferred, or whether they should not be registered, it is necessary to stick to the principle of seeking truth from facts and strictly act according to the conditions for party membership and the procedure laid down by the party Constitution. The work must not be done in a simple or rough way.

Huang Liqing, head of the Central Military Commission's liaison group, also attended the meeting yesterday.

HUBEI LEADERS PRAISE COUNTY'S RESTRUCTURING

HK110601 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 11 Nov 84

[Excerpts] The Hanchuan County CPC Committee has broken away from leftist forms and acted with great vigor in restructuring the county's rural production and economy. Results have been scored in the same year that the readjustments were carried out. The county has taken a breakthrough step.

After conducting investigation in this county from 8 to 11 November, provincial CPC Committee Secretary Guan Guangfu, Deputy Secretary Qian Yunlu, and other leading comrades pointed out: The experiences provided by Hanchuan County play a guiding role for the plain and lake areas of the province. All parts of the province can use them as reference.

Hanchuan County, situated in a lake area, suffers yearly waterlogging, which causes great damage to agricultural production. Since last winter, on the basis of serious investigation and study, the county CPC Committee has acted in accordance with the demands of natural and economic law and carried out restructuring of agriculture and rural production.

First, while seriously grasping grain and cotton production, the county has taken advantage of its broad stretches of water to develop diversification centered on fishery. The county has allocated 64,000 mu of lakeside land unsuitable for growing grain to rearing fish and cultivating lotus, trees, and grass. It has also switched 51,000 mu of sandy land unsuitable for grain and cotton to growing mulberries, vegetables, and flowers. It has also taken advantage of the large numbers of rural craftsmen to develop township and village industry based on household operations.

While restructuring agriculture, the county CPC Committee has also carried out vigorous restructuring of production, and has guided surplus manpower, in an organized and planned way, to switch to household industry, commerce, building, transport, service trades, and so on. The county now has 11,000 household factories, 80 specialized villages, 150 agricultural trade goods centers, and 9,800 peasant salesmen. Over 160,000 laborers are engaged in tertiary industries in the townships and villages, accounting for 49 percent of the total labor force.

As a result of the readjustment the county's economy has achieved all-round growth in less than 1 year. Total grain output this year was 700 million jin, a rise of 39 percent over last year and a record. Cotton output may reach 380,000 dan, a rise of 50 percent. An all-round bumper harvest has been achieved in fishery and other diversified operations. In particular, township and village industry based on household industry has leapt ahead. By the end of October, the total value of its output was 140 million yuan, double the figure for last year.

Total industrial and agricultural output value this year is expected to reach 610 million yuan, 50 percent higher than last year. Industry accounts for the greater portion of this total output. Even better, following the readjustments on the (Diaocha) Lake, large numbers of wild duck have returned to settle there.

HENGYANG CADRES CHECK HUNAN PRICE VIOLATIONS

HK121111 Changsha Hunan Provincial Service in Mandarin 1100 GMT 9 Nov 84

[Excerpts] Hengyang City has recently organized more than 100 cadres from the price bureau, industrial and commercial administration bureau, and other bureaus to go to grassroots units to relay the spirit of the decision of the 3d Plenary Session of the 12th CPC Central Committee on the reform of the price system, to publicize the party's price policy, and to check and correct the unhealthy practice of violating the price policy by arbitrarily raising prices. They have prevented rumors from being spread, reassured the public, and ensured the normal transaction of business in the urban and rural markets.

Not long ago, in the course of reforming the economic structure beginning with small commodities, Hengyang City reformed the regulations governing the administration of daily industrial consumer goods and put into effect fixed prices, floating prices, and the prices fixed due to negotiations between industrial and commercial enterprises. In addition, it also relaxed its control of the prices of the means of industrial and agricultural production. However, some units and individuals arbitrarily raised prices under all sorts of pretexts. Consequently, the prices of some commodities went out of control, the socialist market was gravely disturbed, and the interests of the state and consumers were infringed upon.

In light of such a situation, the Hengyang City CPC Committee and the Nengyang City People's Government have earnestly organized cadres and the masses to study the CPC Central Committee's decision on reform of the urban economic structure. In addition, they have sent more than 100 cadres to various counties and districts to conduct propaganda and inspection and to severely handle those units and individuals who arbitrarily raise prices and violate the price policy.

In recent days the price inspection team has checked the prices of meat, vegetables, and other foodstuffs with which the masses are concerned, and has solved problems soon after their discovery.

Station Commentary

HK121130 Changsha Hunan Provincial Service in Mandarin 1100 GMT 9 Nov 84

[Commentary: "Resolutely Put an End to the Unhealthy Practice of Arbitrarily Raising Prices"]

[Text] By checking and correcting the practice of violating the price policy and by severely handling cases of arbitrary price hikes, Hengyang City has checked unhealthy practices, prevented rumors from being spread, reassured the public, caused the urban and rural markets to further flourish, and ensured the smooth reform of the urban economic structure. It has indeed taken timely actions and has taken them well.

At present in some localities there are people who arbitrarily raise the prices of various commodities. This runs counter to the interests of the people and the spirit of reform. We must be on guard against this unhealthy practice of arbitrarily raising prices and we should adopt vigorous measures in order to resolutely check this unhealthy practice before it produces grave consequences.

It has been pointed out in the central authorities' decision on reform of the urban economic structure that the price system currently in force in our country is far from rational and that the prices of many commodities must be reformed because they reflect neither the value of commodities nor the demand and supply situation.

In order to successfully reform the price system, it is necessary to combat the practice of violating the state's regulations by arbitrarily raising prices or by raising prices under all sorts of pretexts and to resolutely check price hikes. This is because the reform of the price system is, on the basis of the principle of the exchange of equal value and the demand and supply situation in the market, to readjust the unreasonable price relations and to raise or lower the prices that should be raised or lowered but not to raise, or to allow people to raise, all prices in turn. It is also because in raising the prices of some mineral products and some raw and processed materials, the problems causing and resulting from higher prices should be primarily solved by the enterprises by improving their business management and then by the state by means of reduction or exemption of taxes in order to prevent the selling prices of industrial consumer goods from going up and to ensure that the interests of consumers are not infringed upon. Finally, it is because in solving the problem of the [words indistinct] of the selling and buying prices of agricultural and sideline products and in adjusting the prices of consumer goods, the state will adopt feasible measures to ensure that the income of the urban and rural populations will not decrease.

In addition, the central authorities have repeatedly emphasized that the reform of the price system is of vital importance to the overall national economic situation, that it involves thousands upon thousands of households, and that it is a sensitive issue. Thus it is necessary to be extremely careful, to formulate well-conceived, feasible plans, and to execute them in a planned and step-by-step manner. No unit or individual is allowed to seize the opportunity made available by the reform to arbitrarily hike prices and to initiate the practice of raising prices; otherwise the reform of the price system will fail and the reform of economic structure cannot be smoothly carried out. All units, all enterprises, and those comrades doing economic work should earnestly study and understand the spirit of the decision of the central authorities, stick to a correct direction, fully arouse the enthusiasm and creativity of the masses of workers, improve business management, and cut costs and consumption by all means in order to improve economic results.

Those who hope to increase the income of the enterprises solely by raising the prices of products have incorrect, opportunistic ideas. It is an even more incorrect practice to employ trickery, benefit ourselves at the expense of others, and to infringe upon the interests of the state and the people. If we do this, we will suffer in the end from our own misdeeds. We must not be such foolish people.

YU QUANGYUAN DISCUSSES GUIZHOU DEVELOPMENT

HKL31210 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 9 Nov 84

[Text] On the morning of 7 November, Yu Guangyuan, chairman of the Council of the Society of Territorial Economics of China, head of the society's investigation group in Guizhou, and well-known economist, told reporters that following the more than 10-day investigation by the members of the society's investigation group in Guizhou it was held that Guizhou has a vast territory and abounds in hydroelectric sources and minerals and that its other resources are very rich. The climate here is so good that it would not be traded for gold and that tourism can develop. The problem is now to turn this potential into economic results and these resources into economic prospects.

While dealing with several aspects in which Guizhou should carry out development at the next step, Comrade Yu Guangyuan said: The important aspect is the development of talented persons, to universally enhance the cultural level of urban residents and rural people, and to give full play to the enthusiasm of talented persons of all kinds. It is impossible to build such a vast region without capital. We must mainly rely on ourselves to try to find a way out and must carry out development jointly with all places throughout the country; that is to say, we must link the advantages of our locality with those of other places and must import capital and technology through other channels. In so doing, problems can be solved a little better. It is also imperative to attach importance to information, to studying it, and to utilizing it so as to allow information to serve development.

SICHUAN'S YANG RUDAI ON MERGER OF OFFICES

OWL31225 Beijing XINHUA Domestic Service in Chinese 1135 GMT 11 Nov 84

[Text] Chengdu, 11 Nov (XINHUA) -- Yang Rudai, secretary of the Sichuan Provincial CPC Committee, had a talk with the XINHUA reporter on 11 November about the restructuring of economic management organizations of the Sichuan provincial government. He said: First, in carrying out reform, we must not turn back and must carry out projects where we are sure of success; second, we must be scientifically realistic and solve the new problems arising in the course of reform by proceeding from reality.

Yang Rudai said: Deep-going economic restructuring presented a new problem in the form of the restructuring of the government's economic management organizations. To meet the needs of the developing situation, the Sichuan provincial government merged the former Economic Commission, Planning Commission, Agricultural Office, and Finance Office into one Planning and Economic Commission at the end of 1982. This was done as stated in the "Decision of the CPC Central Committee on Reform of the Economic Structure" which says "When the structure changes, the organization and the style of thinking and work should also change." Experience in the past 1 year and more shows that merger of the four offices into one has streamlined administration, reduced the number of layers of organization, and markedly improved work efficiency.

Yang Rudai said: Much experience can be summed up from this success in reform. So far as the guiding ideology of the provincial party committee is concerned, I can make two points: First, we must carry out reform unswervingly. Reform of economic management organizations is a very involved and complicated thing. However, when we were sure that reform was inevitable, we persevered in the reform without turning back. Due to lack of experience, some confusion did occur when our province merged the four organizations into one. Some comrades entertained doubts and described the merger as "an orange, merged on the outside but divided inside."

As late as when party rectification started, there still were voices calling for "separation." The provincial party committee and the provincial government saw this as an inevitable problem in the course of advance and never wavered. They actively assisted the Planning and Economic Commission in solving problems concerning understanding and actual work and supported its firm efforts to persist in reform. Good results have been achieved thanks to the firm attitude of the provincial party committee and the provincial government and the cooperation and concerted efforts of all concerned in carrying out the reform. Second, we must be scientifically realistic. Otherwise, we will achieve nothing, no matter how firm our determination is. Many new problems cropped up after the establishment of the Planning and Economic Commission. The first one was the old working system which, having been formed over many years, did not suit the needs of reform. The Planning and Economic Commission possessed all major and secondary powers and was entangled in all kinds of work detail. Reform could hardly be effective if this situation was to remain unchanged. After deliberation and study, the provincial party committee and the provincial government put forth a plan for simplified and decentralized administration, delegating powers in 10 aspects to enterprises and basic-level units and allowing the Planning and Economic Commission to shift the focus of its work to deliberating major issues, overseeing the overall situation, and maintaining balance. The second problem was: With the number of organizations reduced, what to do with their personnel? The provincial government approved the Planning and Economic Commission's proposal to set up a number of organizations, which are in nature service organizations, with selected cadres having professional knowledge in certain fields. So far, eight such organizations have been set up. One of these, the Economic Information Forecasting Center, has in the past 1 year created a provincial economic information network. Having effectively solved all specific problems, the Planning and Economic Commission has smoothly completed its own transformation from a management and command organization into one that provides services and conducts coordination. The four offices are now merged both outside and inside and reform is being carried out soundly.

Yang Rudai concluded: Merging the four offices into one is a new experiment. Although we have made a good start, some imperfections and some new problems still exist. We have yet to solve these problems.

RENMIN RIBAO COMMENTS ON MERGER OF OFFICES

HK140628 Beijing RENMIN RIBAO in Chinese 9 Nov 84 p 1

[Short commentary: "Successful Experience"]

[Text] Sichuan Province has merged its Planning Commission, Economic Commission, Office of Agriculture, and Office of Finance, while Jiangsu Province has merged its Planning Commission and Economic Commission. The results have proved to be very good. This is a successful experience in the reform of the urban economic system and a helpful experiment in the reform of the socialist superstructure.

Practice has shown that such mergers have resulted in simplified administration, the delegation of the power of decision to enterprises, a genuine separation of government from enterprise functions, and an improvement in work efficiency. Particularly important is the fact that the mergers have promoted a change in the style of leadership in leading organs. Now they will be able to concentrate their efforts on grasping major matters and in doing a good job in managing those affairs which are essential to them. Now the upper levels and the lower ones are all satisfied, and everyone is happy.

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The "Decision of the CPC Central Committee on Reform of the Economic Structure" pointed out: "When the structure changes, the organization and the style of thinking and work should also change." With the deepening of reform of the economic system, it will inevitably lead to the reform in the administrative organs, while the latter will in turn promote the development of the former. All provinces may refer to the practice of Jiangsu Province for reference. As to what big cities are going to do, further study will be made, and we must not do things in a hurry.

Simplifying administration and the merger of administrative organs can hardly avoid resistance. So long as we all study in earnest the decision adopted by the 3d Plenary Session of the 12th CPC Central Committee, deepen our understanding, and unify our ideology, a genuine unanimity can be achieved as in the case of Sichuan and Jiangsu.

SICHUAN COMPANY PRINTS BUDDHIST SCRIPTURES

OW091052 Beijing XINHUA in English 0744 GMT 9 Nov 84

[Text] Chengdu, November 9 (XINHUA) -- More than 500 sets of Buddhist scriptures have been printed this year by the Dege Xylographing (impressions taken from woodblock prints) House in Sichuan, southwest China, according to Gaga, director of the company's relics department. Most of the scriptures, printed with traditional wooden plates, are ancient Tibetan Lamaist scriptures including the "Kajor Tripitaka" and the Tangyur Tripitaka", he said.

Since business resumed in 1979, the company has sold about 2,000 sets of Buddhist scriptures to monasteries, colleges, research institutions and individuals in the Tibet Autonomous Region, Qinghai, Gansu, and Sichuan Provinces, and Beijing. The "Renqingdengzhun", a scripture of the Bonpo sect of Buddhism, the original of which was damaged during the "Cultural Revolution", will soon be printed with the missing parts supplied.

The Dege Xylographing House, built in 1729, is well known in China for its collections of Tibetan scriptures. It now has more than 217,000 pieces of wooden plates, some of which have been preserved for more than 200 years; some 450 Lamas work there. The plates cover Buddhist scriptures, religious history, life-stories of saints, Tibetan medicine, astronomy, dictionaries, poetry, music, art, architecture and engraving. The central government recently decided to allocate about one million yuan to expand the company, Gaga added.

YUNNAN PREFECTURE MARKS 30TH ANNIVERSARY

HK131445 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 11 Nov 84

[Excerpts] This morning, cadres and masses of various nationalities and the PLA stationed in the Nujiang Lisu Nationality Autonomous Prefecture, totaling more than 10,000 people, held a mass rally in (Liufu) town, capital of the autonomous prefecture, to warmly celebrate the 30th anniversary of the establishment of the autonomous prefecture.

The NPC Standing Committee, the State Council, the Nationalities Committee of the NPC Standing Committee, the State Nationalities Affairs Commission, the Yunnan Provincial People's Congress Standing Committee, the provincial People's Government, and the provincial CPPCC Committee respectively sent congratulatory cables to the meeting.

The Nationalities Committee of the NPC Standing Committee and the State Nationalities Affairs Commission sent Comrade Huang Guangxue, vice chairman of the State Nationalities Affairs Commission, as their representative, and the provincial authorities sent a delegation with Comrade Pu Chaozhu, deputy secretary of the provincial CPC Committee and provincial governor, as its head, and Comrade (Chen Ruixiang), deputy commander of the Yunnan Provincial Military District, as its deputy head on a special trip to extend congratulations.

Dali, Chuxiong, Wenshan, Honghe, Xishuangbanna, Dehong, Diqing, Lijiang, Baoshan, and Linchang prefecture and autonomous prefectures also sent delegations to take part in the celebration. (Qiu Shanyi), deputy head of Nujiang Autonomous Prefecture, presided over the meeting. Comrade (Deng Along), head of the autonomous prefecture, delivered a speech at the meeting.

Comrade Huang Guangxue, vice chairman of the State Nationalities Affairs Commission, and Comrade (Pu Chaozhu), provincial governor, also delivered speeches at the meeting. Comrade Pu Chaozhu pointed out: The Nujiang Autonomous Prefectural CPC Committee should further relax policies and have more flexible and open policies than other areas.

He said: Provided party organizations at all levels in the autonomous prefecture establish clear guiding ideas, rely on the strength of the local people, give full play to their strong points and overcome their weak points according to local conditions and characteristics, and make full use of local resources to develop commodity production, the people in Nujiang will become rich and prosperous more swiftly than people in other areas of the province.

KUNMING PLA COMMANDER MEETS FILMMAKERS

OW131251 Shanghai JIEFANG RIBAO in Chinese 7 Nov 84 p 2

["Special Dispatch" by correspondent Pan Huinan from Kunming]

[Text] The Shanghai film studio's filming group for the movie "Garlands at the Foot of the Mountain" has made special visits to the Kunming PLA units, bringing along two copies of the movie, to express gratitude and extend comfort to people's soldiers who have rendered meritorious service in the self-defensive counterattacks against the Vietnamese in the Laoshan and Zheyinshan areas.

On 4 November Zhang Zhixiu, commander of the Kunming Military Region, and other leading comrades met with responsible persons of the Shanghai Municipal Film Bureau and major producers of the movie, Xu Sangchu, Cheng Zhigu, Xie Jin, Wang Yumei, Lu Xiaohe, Tang Guoqiang, He Wei, and Gai Ke, who had come to Yunnan to extend comfort. He congratulated them for having made a good movie that reflects the Chinese people's and Army's love for the country and the Chinese nation as well as their will to defend the motherland. More than 1,000 representatives of the heroes in the self-defensive counterattacks against the Vietnamese, dependents of martyrs and armymen, and commanders and fighters of the PLA units stationed in Kunming watched the movie "Garlands at the Foot of the Mountain," which was shot in the Yunnan border region with the support of the Kunming PLA units.

BEIJING INVESTMENT COMPANY OFFICIAL INTERVIEWED

HK140716 Beijing ZHONGGUO XINWEN SHE in Chinese 0752 GMT 12 Nov 84

["The Beijing International Trust and Investment Company Vigorously Conducts Economic Activities With Foreign Countries" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 12 November (ZHONGGUO XINWEN SHE) -- "Our company is a veritable financial institution approved by the relevant authorized departments of the state, and it has the right to engage in foreign exchange matters." These words were said to our reporter some days ago by Dong Xiaoxian [5516 1321 0341], acting general manager of the Beijing International Trust and Investment Company, which was recently established. Dong Xiaoxian said: At the beginning of operations, the company is making efforts in the following fields:

-- Actively raising capital and funds for building the four modernizations in the capital and attract foreign investment. Financial and investment relations have been established and are being established with banks and financial circles in Japan, the United States, France and other countries and the Hong Kong region, and the amount and extent of credit is being determined; talks are being conducted with some banks and financial groups overseas in a bid to obtain medium- and long-term loans at preferential interest rates. Issuing bonds is also being considered by the company.

-- Extending the company's scope of operations overseas. At present, talks are being held with relevant trading and financial groups in Hong Kong in an effort to jointly set up comprehensive financial and trading organizations that will serve as another of our windows in Hong Kong.

-- Setting up a leasing company in Beijing which will be jointly run by Chinese and foreign capital, and to serve a large group of medium-sized and small enterprises in their technological transformation through the method of leasing. This will be one of our modes of operation with great potential.

-- Setting up joint ventures and building factories overseas.

When talking about efforts to actively absorb foreign investment to promote modernization undertakings in Beijing, Dong Xiaoxian mentioned that talks with foreign businessmen on building a cement plant with an annual production capacity of 600,000 tons of cement are under way. The grand construction project of transforming the "golden tract" section of the Changanjie running from Wangfujin to Dongdan will also be realized through the utilization of foreign investment. He said: The focus of development of the company in the future will be in the fields of tourism, building materials, food, and the electronics industry.

The Beijing International Trust and Investment Company was established in early October with the approval of the headquarters of the Bank of China and the Beijing Municipal People's Government. The incorporated capital of the company is 200 million yuan renminbi.

NI ZHIFU SEES OFF TIANJIN EDUCATION DELEGATION

SK100422 Tianjin City Service in Mandarin 0030 GMT 10 Nov 84

[Text] An 8-member Tianjin municipal higher education delegation headed by Tan Shaowen, president of the Tianjin branch of the China Association for International Educational Exchange, and with (Qin Jiao), director of the municipal Higher Education Bureau, as deputy leader, left Tianjin yesterday to visit the United States.

When leaving Tianjin, the delegation was seen off by Ni Zhifu, secretary of the municipal CPC Committee; Zhang Zaiwang, deputy secretary of the municipal CPC Committee and chairman of the municipal People's Congress Standing Committee; and Wu Zhen, deputy secretary of the municipal CPC Committee and acting mayor.

TIANJIN'S NI ZHIFU SEES OFF ECONOMIC DELEGATION

SK100431 Tianjin City Service in Mandarin 0030 GMT 10 Nov 84

[Text] The 6-member Tianjin municipal economic delegation headed by Li Lanqing, municipal vice mayor, and with Chen Weida, chief adviser of the Tianjin Municipal People's Government, as adviser, left Tianjin yesterday to visit the FRG and Italy.

Ni Zhifu, secretary of the municipal CPC Committee; Zhang Zaiwang, deputy secretary of the municipal CPC Committee and chairman of the municipal People's Congress Standing Committee; Wu Zhen, deputy secretary of the municipal CPC Committee and acting mayor; and (Sun Zhaodian) and (Cheng Zhenping), responsible comrades of the liaison group of the Central Party Rectification Guidance Commission stationed in Tianjin saw the delegation off.

HEILONGJIANG'S LI LIAN COMMENTS ON HOUSING EQUITY

SK140504 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 13 Nov 84

[Excerpts] Li Lian, secretary of the provincial CPC Committee, commented on a report that equal treatment of male and female workers in housing distribution is a formulated policy of the central authority and the provincial CPC Committee.

Li Lian commented in reaction to a joint letter by four female workers at the applied chemical research center of the provincial Science Institute, Zhao Shuqin, Gu Baoli, Xu Aiwen and Liu Shuqing. Their letter implied that the unit has a rule of giving priority to male workers in housing distribution and discriminating against female workers.

Li Lian commented that male and female workers should be treated equally in housing distribution. Although the State Council has made a definite policy, there are obstacles in the implementation of the policy. We should arduously and carefully make efforts to vigorously implement the policy.

He also inquired about the situation of the report on some units distributing houses to female workers and on future housing arrangements made by the provincial Trade Union Council, the provincial Planning Commission, and the provincial Women's Federation last April. He gave instructions that after revision the report is to be relayed for implementation.

In line with Li Lian's instruction, the provincial CPC Committee office and the provincial government office relayed the report to all localities a few days ago.

It is reported that the provincial Science Institute immediately relayed the report to all research centers after receiving Li Lian's report. Appropriate housing has been arranged for these four female workers.

JILIN'S QIAN XIAOCHU AT RECREATION CENTER OPENING

SK120451 Changchun Jilin Provincial Service in Mandarin 1030 GMT 11 Nov 84

[Excerpt] A ceremony to mark the inauguration of the provincial veteran cadre recreation center which is located near the Changchun Nanhu Guesthouse was held this morning. Qiang Xiaochu, first secretary of the provincial CPC Committee, cut ribbons and wrote inscriptions joyfully to mark the inauguration of the recreation center amid the popping of firecrackers and the warm acclamation of Young Pioneers.

Comrade Qiang Xiaochu's inscription reads: "Come forward with ways and means and have a long life."

The inscription of Comrade Wang Daren, chairman of the provincial Advisory Commission, reads: "One is never too old to learn; never give up one's efforts to learn."

Zhang Gensheng, secretary of the provincial CPC Committee, spoke at the inauguration ceremony. He warmly welcomed retired veteran comrades to come to the recreation center to do gymnastic exercises, to enjoy entertainment, to read, and to find amusement so that their remaining years will be more interesting, comfortable, meaningful, and happier.

After that, the provincial party and government leaders and some 200 provincial-level department in-service and retired veteran cadres and Red Army soldiers who came to the ceremony to convey congratulations toured the recreation center.

LIAONING RELEASES DECISION ON INTELLECTUAL POLICY

SK140531 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 13 Nov 84

[Excerpts] The provincial CPC Committee and the provincial government recently issued a decision on reforming the talented personnel management system and further implementing the policy toward intellectuals.

The decision pointed out that correctly understanding intellectuals and fully exploiting the functions of the intellectuals is still an important task facing CPC committees and governments at all levels. We should conscientiously conduct propaganda and education on the party policy toward intellectuals of the whole province and establish a good social practice of attaching importance to mental work, respecting science and knowledge, and sparingly using talented personnel in the society.

The decision of the provincial CPC Committee and the provincial government called for reforming the talented personnel management system and fully exploiting the functions of the intellectuals.

The decision pointed out that the major problem in the current talented personnel management system is keeping talented personnel under excessively strict control. The key to arousing the enthusiasm of the intellectuals is to reform the talented personnel management system, to clear the channels for exchanging talented personnel, and to rationally use talented personnel. First of all, we should rationally transfer talented personnel in the reform of the talented personnel management system, and link the planned distribution of talented personnel to social regulations so as to enliven the talented personnel management work.

We should assess and award the intellectuals in accordance with their contributions. The enterprises and establishments are allowed to carry out the policy on linking workers' payments with their contributions and economic efficiency. The agroscientists and agrotechnicians in the forefront line, on the premise of ensuring the fulfillment of their own jobs, are allowed to sign technological economic contracts with the peasants and the collectives to share income with them. As with the peasants, they are allowed to become rich first. The scientific and technological personnel, on the premise of insuring the fulfillment of their own jobs, may engage in part-time work and spare-time scientific and technological work. In principle, they may possess the money earned from their spare-time work.

In order to reform the scientific and technological cadre management system and to link scientific and technological work to the management of the ranks of scientific and technological cadres, the province decided to establish the Liaoning Provincial Scientific and Technological Cadre Bureau. The bureau is subordinated to the provincial People's Government and under the jurisdiction of the provincial Scientific and Technological Commission.

The decision finally set forth: Strengthening intellectual work is a long-term strategic task for serving the general goal of modernization. The CPC Committees and the governments at all levels should conscientiously put the work on intellectuals as key items on the agenda. Leading cadres at all levels should personally conduct study and investigations to solve the real problems in intellectual work and make friends with the intellectuals. We should strengthen ideological and political work among intellectuals and conscientiously achieve the work of developing party members from intellectuals, especially young and middle-aged intellectuals.

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GANSU SECRETARY LI ZIQI INSPECTS DINGXI COUNTY

HK090941 Beijing RENMIN RIBAO in Chinese 5 Nov 84 p 1

[Report: "Li Ziqi, Secretary of Gansu Provincial CPC Committee, Inspects Gansu's Dingxi County"]

[Text] In order to keep abreast of the progress of grass-growing and tree-planting in Gansu and to guide the strategic change of agricultural development, Li Ziqi, secretary of Gansu Provincial CPC Committee, went to Dingxi County to conduct investigations and studies three times this spring, summer, and fall. He discovered that since Comrade Hu Yaobang's inspection tour of Gansu in August 1983, the people in Dingxi have implemented the new production principle of "growing grass and planting trees, developing animal husbandry, bringing mountains and rivers under control, and turning poverty into prosperity," carried out solid and creative labor, and achieved unexpectedly gratifying successes. In a report of his finds entitled "Starting Point, Confidence, and Hope," Li Ziqi held: Now the cadres and masses in Dingxi have cheerfully said: In the first year of "breaking with convention," we have strode forward, embarked on a correct path, enhanced our confidence, and foreseen the bright future.

The leading comrades of the CPC Central Committee highly praised Li Ziqi's findings. The report is divided into the following three parts: "New Starting Point," "New Path," and "New Hope."

Text of Findings

HK090943 Beijing RENMIN RIBAO in Chinese 5 Nov 84 p 2

[Article by Li Ziqi, secretary of the Gansu Provincial CPC Committee: "Starting Point, Confidence, Hope -- An Investigation of Grass-Growing Tree-Planting, and the Development of Animal Husbandry in Dingxi County" -- capitalized passages published in boldface]

[Text] Editor's note: This report of his findings by Comrade Li Ziqi is well written. Following the principle of "growing grass and planting trees, developing animal husbandry, bringing mountains and rivers under control, and turning poverty into prosperity" put forward by the leading comrades of the CPC Central Committee during their inspection tour of Gansu in August 1983, the Gansu Provincial CPC Committee went deep into the realities of life to conduct investigations and studies, "broke with convention," pressed forward steadily, and has achieved gratifying progress in the past year or so. Such a work method and style is worth recommending. When you are convinced of something, you should firmly grasp it for 3 to 5 years, profoundly study the matter, pay attention to the principles and methods, and never give up until you achieve success. [end editor's note]

This is the first year in which Gansu has begun to extensively grow grass and plant trees. Dingxi County is representative of the 18 dry counties in central Gansu. In order to keep abreast of the progress of grass-growing and tree-planting in Gansu and to guide the strategic change of agricultural development, I came to Dingxi County three times in spring, summer, and fall to conduct investigations and studies. I discovered that since Comrade Hu Yaobang's inspection tour of Gansu in August 1983, the people in Dingxi have implemented the new production principle of "growing grass and planting trees, developing animal husbandry, bringing mountains and rivers under control, and turning poverty into prosperity," carried out solid and creative labor, and achieved unexpectedly gratifying results. Now the cadres and masses have cheerfully said: In the first year of "breaking with convention," we have advanced with great strides, embarked on a correct path, enhanced our confidence, and foreseen the bright future.

New Starting Point

ENORMOUS PROGRESS. Dingxi County covers a total area of 5.4 million mu, including 1.94 million mu of arable land. For a long time, the county only paid attention to grain, which consequently destroyed the forests and grassland and made agriculture, forestry, and animal husbandry suffer. Following the implementation of the new production principle commencing this year, the county made efforts to grow 317,000 mu of grass and afforested an area of 161,000 mu. The area of grass grown is equivalent to 160 percent of the existing grassland and the area of afforestation is equivalent to 40 percent of the area afforested since the founding of the PRC. In the county at present, each household possesses an average of 7 mu of grassland and each person 1.5 mu; and each person possesses an average of 1 mu of forest.

UNPRECEDENTED RESULTS. An inspection test indicates that the survival rate of the grass and tree seed sown is over 85 percent, 2 times higher than the past successive years. The 250,000 mu of sweet-scented osmanthus are more than 1 foot high and the 140,000 mu of lemon eucalyptus and citrus aurantium are around 7 to 8 inches high. The Huashan pine and Chinese arborvitae seed sent by Comrade Yaobang and the General Office of the CPC Central Committee have now grown 6 inches high. The 500,000 mu of afforested mountain slopes and ridges are green all over, which has put an end to the situation characterized by "growing grass and planting trees in spring, cutting them down in fall, and burning them as firewood in winter" and by "making great efforts to plant trees and grow grass, but yielding nothing."

THE EMBRYONIC STAGE OF COMMODITY ANIMAL HUSBANDRY. This year the number of draft animals of the whole county amounted to 70,000 head, 2,000 more than highest record in 1957. There have also emerged a number of specialized townships, villages, and households engaged in the raising of commodity cattle and sheep. Each household in Xiangquan Township has raised an average of 1.62 head of domestic animals and 4 head of improved breeds of sheep. Each household of the Quanwan Administrative Village in the township has raised an average of 2.73 head of domestic animals and 5.8 head of sheep. A peasant named Xi Delu of the 5th production brigade in Xiangquan has raised 14 head of cattle and 30 head of sheep. The cattle are slaughtered every 3 months and the net weight is around 130 to 150 jin. This year, he has already sold 6 head and plans to sell another 6 head by the end of the year. His family's average income per capita from animal products may reach 400 yuan.

New Path

Dingxi County has achieved enormous progress in the first year of the drive to plant trees and grow grass. Besides conscientiously conducting ideological work and unifying the thinking of cadres and masses, the following effective measures were adopted:

THE PREFERENTIAL POLICY OF SUBSIDIZING GRAIN TO PROMOTE GRASS-GROWING AROUSED THE INITIATIVE OF THOUSANDS UPON THOUSANDS OF PEOPLE. Dingxi County had grain shortages for a long time. During the publicity and mobilization meeting held last fall and winter, although the masses vigorously supported the new principle of growing grass and planting trees and "breaking with convention," they feared that there would be a greater shortage of grain ration by reducing the sown area of grain. For this reason, the county authorities planned early this year to grow 50,000 mu of grass and plant 60,000 mu of trees only. In March this year, when I discovered such a situation after conducting investigations, I consulted the cadres and masses and decided to transform the original method of providing relief through resold grain. In addition to providing social relief to a small number of households with financial difficulties which have lost their ability to work, we decided to combine the supply of grain with grass-growing and tree-planting and farmland capital construction.

In the areas where the average per capita amount of cultivated land was over 5 mu, each person was required to grow 1 mu of grass (growing half a mu of grass on the barren land and another half on the cultivated land previously growing other crops) within 3 years, with 50 jin of grain and some money for grass seed subsidized by the state for each mu of grass grown. Consequently, the situation of "waiting to be fed" was turned into "working after being fed." When the peasants were informed of this stipulation, their worries on grain rations were dispelled and a new situation emerged in which all households made arrangements to grow grass on the cultivated land previously growing other crops, vied with each other to contract barren hills, and signed contracts at various levels. By the end of August, the area of grass grown and trees planted exceeded the plan prepared early this year by 5.3 fold and 1.7 fold respectively. As all townships, villages, and production brigades overfulfilled their tasks, the masses said: With the support of policies which conform to our needs, we can have a free hand in doing our work.

SCIENCE AND TECHNOLOGY ACCELERATED THE SPEED AND IMPROVED THE RESULTS OF GRASS-GROWING AND TREE-PLANTING. In order to help the masses solve the problem of fuel shortages as quickly as possible so as to stop the destruction of vegetation, the provincial authorities commissioned a number of experts and scholars to conduct investigations here this spring and decided to take the vigorous growing of sweet-scented osmanthus and transformation of stoves as a breakthrough. Before spring sowing, the whole county trained 2,443 grass-growing and animal-breeding agrotechnicians. Now almost all production brigades have technical support. The technical and economic contracted responsibility system was implemented for tackling large areas of farmland in which the scientific and technological personnel signed contracted responsibility agreements with the county authorities. Both the provincial Institute of Agricultural Science and the Gansu Agricultural University set up scientific research experimental bases in this county. With the assistance of the Northwest Agricultural College and other units, the Tangjiabao experimental center, a subsidiary to the provincial institute of agricultural science, gradually formed into a scientific and technological center which is a combination of scientific research, training by popularization, and production. This center helped the locality in turning an ordinary secondary school into an agricultural secondary school, which already enrolled 100 students and planned to reach special secondary school level after 3 years. They guided the peasants in reclaiming 2,200 mu of wasteland, growing grass on mountain ridges, planting trees and growing grass on mountain slopes, building terraced fields on gentle slopes, and planting trees and reeds on gullies, which gradually formed into an agricultural system combining forests, bushes, and grassland and yielding reasonable high results, which provided feasible experience for tackling the loess plateau in a comprehensive way and for integrating scientific research with production.

THE COMPREHENSIVE TACKLING OF SMALL VALLEYS OPENED A NEW PHASE FOR THE LARGE-SCALE TRANSFORMATION OF RIVERS AND MOUNTAINS. In order to speed up the pace of grass-growing and tree-planting, Dingxi County carried out unified planning over large areas of barren hills and implemented the contract system based on households in light of the favorable conditions of decentralized management based on the all-round contract system. Party and government cadres and scientific and technological personnel undertook the responsibility of the overall operation and of integrating management with the households' benefits (the small plots of wasteland were allocated to each household and the land previously growing other crops was under the management of the peasant households themselves). Only in this way could we give full play to the role of the group effect of the plants, cover and restore vegetation, and bring large areas of water and soil erosion under control; could we concentrate the technical and leading force to ensure quality; could we appropriately conduct inspection and appraisal and prevent exaggerating figures; and could we give full play to the role of the rural surplus labor, accelerate the speed of transformation, and increase labor income. There emerged 44 big households in the whole county which grew grass and planted trees on over 100 mu each.

Each of the seven small valley constituted over 2,000 to 3,000 mu after undergoing all-round transformation, which presented a magnificent sight extending for several li. As Tangjiabao, Zhangjiachuan, Jiajiachuan, Daying, and other administrative villages sowed seeds earlier than other places, each household reaped an annual average of 3,300 jin of grass. With the inclusion of the stalks of other crops, the needs of fuel and fodder were solved and the destruction of vegetation was put to an end.

New Hope

Dingxi's practice in the past year fully shows that the principle of "growing grass, planting trees, and developing animal husbandry" entirely conforms with Gansu's realities and is the fundamental measure for curbing the destruction of vegetation, putting an end to the vicious cycle, readjusting the economic structure, and turning poverty into prosperity. With the implementation of the special policies practiced by the central authorities over the poor and backward areas, profound changes have taken place in Dingxi County and the 18 other dry counties in central Gansu which suffered from poverty for a long time. They now have the following favorable conditions and vitality: 1) Good and stable policies supported by the state and backed by the masses; 2) Grass-growing, tree-planting, and development of animal husbandry have taken root in the hearts of the people and become an undertaking of the masses; 3) More than half of the peasant households have surplus grain, which provides favorable conditions for the readjustment of the economic structure; 4) A technical network of grass-growing and tree-planting is gradually being formed and the masses have become more skillful through practice; and 5) the soil moisture is well preserved and there is an ample supply of grass and tree seed, which provides favorable conditions for growing grass and planting trees this fall and next spring. We must make full use of these hard-achieved favorable conditions, seize the opportunity, and adopt solid and forceful measures to vigorously speed up the strategic change of agricultural development. It is necessary to earnestly do well the following work:

1. ACCELERATE THE PACE OF GRASS-GROWING AND TREE-PLANTING. By the end of 1986, the whole county should strive to grow 700,000 mu of grass on the farmland previously growing other crops, accounting for 28 percent of the total area of cultivated land; and should strive to grow and plant 900,000 to 1 million mu of grass and trees on barren hills. By then, the coverage of trees and grass throughout the county will exceed 30 percent, which will lay a sound foundation for putting an end to the vicious cycle and for developing commodity production based on animal husbandry.

In order to solve the problem of fuel shortage and to stop the destruction of vegetation as quickly as possible, it is necessary to first make a breakthrough in vigorously growing sweet-scented osmanthus. After gaining experience, efforts should be made to gradually grow perennial and fine quality herbage, such as redtop grass, Xiaoguan flower, Shadawang grass, Chinese violet, lucerne, and so on and to attain better economic results. In afforestation, it is necessary to first plant drought-resistant lemon eucalyptus and red willow on the mountain ridges and plant arbor in the gullies. With the improvement of the ecological environment, we should gradually extend the planting of Chinese pine and other fine quality trees and grow some backbone forests so as to build a first rate base of forestry and animal husbandry.

2. ANIMAL BREEDING SHOULD BE DEVELOPED CORRESPONDINGLY. With the expansion of grass growing, it is necessary to vigorously develop animal breeding and to turn forage grass into animal products. At present, it is necessary to spontaneously develop the raising of horses, cattle, sheep, hogs, rabbits, poultry, and bees. Meanwhile, we must take note of improving the breed of animals without delay and increase the number of female cattle and sheep. We must establish an animal breeding and epidemic prevention system, strive to set up a frozen semen station in every village, improve the breed of animals and the operation and management of raising, and raise the commodity rate.

We must develop the bases in which the specialized and major households can raise fine breeds of cattle and sheep. By 1990, each household should possess an average of 25 mu of trees and grass, 2 cows, 5 sheep, and the average income from animal products should reach 1,000 to 1,500 yuan.

3. VIGOROUSLY DEVELOP TOWN AND TOWNSHIP ENTERPRISES FOCUSED ON PROCESSING INDUSTRY. At present, the problem of overstocking of grass seed and an excess of forage grass has emerged in some localities. It is necessary to pay close attention to the fodder processing industry and to the comprehensive utilization of grass seed, correctly handle the relations between the ecological and economic results, and protect the enthusiasm of the peasants in growing grass and planting trees. Meanwhile, it is necessary to make full use of the local resources, vigorously develop town and township enterprises and encourage urban industry to extend toward rural areas, develop building industry, building materials, plastic goods, and processing of potato and soya bean, and correspondingly solve the problems of electricity, highways, cold storage, training of special personnel, and so on. It is necessary to establish a number of small towns in a planned manner and gradually form them into economic, cultural, and technical centers that are rationally distributed so as to bring about an all-round prosperity in the rural areas.

4. CONTINUE TO RAISE THE PER UNIT AREA YIELD OF GRAIN. It is necessary to vigorously build terraced fields and level the flatland in gullies, practice rotation growing of grass and crops, apply chemical and organic fertilizer, enrich the soil, and raise the per unit area yield. Within the next 3 to 5 years, the average per capita amount of farmland should reach 3 to 4 mu, the yield per mu around 200 to 300 jin, and the annual average output per capita over 600 jin. The masses should have a free hand in growing grass and planting trees on land with a slope of 25 degrees and in developing animal husbandry so as to resume the benign cycle in which agriculture, forestry, and animal husbandry rely on, as well as promote each other.

Dingxi County is the epitome of the poor areas in central Gansu. The progress of this county will have an immense impact on the transformation of the backward outlook of the central areas and on the construction of the whole province. Opportunity knocks but once. Provided we can value the favorable trend of the new production principle, firmly size the opportunity, and continue to work hard in a down-to-earth manner, it will promise high hopes of success to fundamentally change within the next 3 to 5 years the backward outlook of these areas.

PRC, TAIWAN SCHOLARS ATTEND U.S. SEMINAR ON CHINA

OW131037 Beijing XINHUA in English 0907 GMT 13 Nov 84

[Text] New York, November 12 (XINHUA) -- Scholars from Beijing and Taiwan, China, and those of Chinese origin from the United States and Canada held here today a seminar on the future of China and shared a dominant view favoring the reunification of China and opposing continued separation of Taiwan from the mainland.

The four-hour seiminar was sponsored by seven scholars and journalists. They are Prof. Winberg Chai of the University of South Dakota; Prof. Te-kong Tong, chairman of the Department of Asian Studies of the City University of New York; Prof. Hong-mao Tien of the University of Wisconsin; Prof. Richard Chu of the Rochester Institute of Technology; William K. Lu, publisher of the SINO DAILY EXPRESS and president of the PAI SHING semi-monthly; Hsin-yuan Cheng, editor of the SINO DAILY EXPRESS; and Prof. Winston Yang of the Seton Hall University in New Jersey.

Several hundred Chinese Americans and Taiwanese living in the United States came to the meeting to listen to the speeches at the seminar and expressed the hope for continued discussion on the reunification of China by scholars from both sides of the Taiwan Strait.

Among the 15 scholars speaking at the meeting were Chiu Hung-dah, professor of the Law School of the University of Maryland; Hung-mao Tien; Richard Chu; Li Shenzhi, director of the Institute of American Studies of the Chinese Academy of Social Sciences; Winston Yang; Winberg Chai; James Chieh Hsiung, professor and director of the Institute of Political Studies of the State University of New York; and Kan Niangi, director of the Institute of Taiwan Studies of the Chinese Academy of Social Sciences.

Earlier in the morning yesterday, Professor Hsiung presided over a seminar on "comparison between mainland and Taiwan" at Princeton in New Jersey, which was sponsored by the eastern branch of the Asia Society. At the meeting, Chinese and American scholars studied from the academic angle the achievements and problems in the economic field and foreign affairs both in the mainland and Taiwan and the prospects for the unification of the country.

CHINA POST EDITORIAL HAILS REAGAN'S REELECTION

OW131253 Taipei CHINA POST in English 8 Nov 84 p 4

[Editorial: "President Reagan's Overwhelming Victory"]

[Text] U.S. President Ronald Reagan has won an overwhelming landslide in the Nov. 6 election. The President captured 49 of the 50 states, with the District of Columbia staying in the Mondale column. Mondale also won his home state of Minnesota. His total electoral votes were 13 votes.

The size of Reagan's victory was truly record-breaking, even surpassing the landslide victory he scored in 1980. It was a smashing victory for the 73-year-old President who was assured of victory early in the evening as early returns showed massive votes in his favour. By 10:30 a.m. Taipei time, the ABC projection had already given him 429 electoral votes to Mondale's three and by noon, Reagan had already gained 495 votes against Mondale's 13.

President Reagan captured not only votes from the conservatives but also from the traditionally liberal New England states, the heavily unionized industrial states of the Midwest, and the historically Democratic and conservative South, all of which Mr. Mondale had hoped to win.

Interviews with voters after polling showed Reagan had scored heavily among almost every voting group including women, despite the presence in the Democratic ticket of the first woman vice-presidential candidate, Geraldine Ferraro.

Only the black voters voted overwhelmingly for Mondale. But that could not offset the massive Democratic switch to President Reagan by white voters, with devastating effects to Mondale and Ferraro.

Mondale called President Reagan soon after midnight (U.S. time) to concede defeat even though it was reported earlier that there would be no concession before 11 p.m. Mondale's concession was due obviously to the size of Reagan's victory.

President Reagan made a victory acceptance speech in his Los Angeles Republican campaign headquarters thanking all campaign workers for their hard work. He also pledged to work harder to attain the goals to which he has aspired. One of his goals is economic growth without inflation. He will also strive for arms reduction and arms control with the Soviets. The Soviet agreement to begin arms talks on Nov. 28 may be an opening.

As to the congressional contests and the gubernatorial contests, a seesaw battle is going on without dramatic changes. It looks as if the Democrats will retain control of the House while Republican control of the Senate will remain unchanged. Senator Jessie Helms' re-election over a strong opposition shows that people in North Carolina are supporting his conservative and anti-communist views.

On the other hand Senator Charles Percy of Illinois, a liberal, has lost his reelection bid. If he should lose this bid, then his important chairmanship of the Senate Foreign Relations Committee may go to Senator Helms. However, as both are strong supporters of the Taiwan Relations Act, there would not be any drastic changes in policy with a change in chairmanship.

The U.S. gubernatorial election results will not be known until later. But as 13 governorships are at stake and the Democrats control the majority, a Republican upset is not likely. The Republicans would do well to capture half of the contested places.

The people of the free world should be greatly relieved to see President Ronald Reagan re-elected for a second four year term. He has a positive outlook in maintaining world peace through strength, maintaining U.S. economic growth, reducing arms and above all reversing communist expansion in Central America and elsewhere by actively promoting democracy.

As the American people have voted to support his policies, let all free people do likewise to give him cooperation and support to fulfill his dreams of a peaceful world without threats or terror.

The people of the Republic of China congratulate him on his unprecedented victory and wish him all the best in the next four years.

U.S. ELECTION 'FINE MODEL OF DEMOCRACY'

OW111116 Taipei Domestic Service in Mandarin 2300 GMT 8 Nov 84

[Station commentary]

[Text] The results of this year's U.S. general election were published on 7 November. The incumbent U.S. President Reagan was reelected President with a landslide majority of 525 electoral votes. Moreover, Reagan won the electorate's support in 49 of the 50 states in this election, a record margin in all U.S. presidential elections and an unparalleled honor to President Reagan himself.

In the past few days the world media have made various analyses of the reasons why Reagan won. But roughly speaking, the most important reasons might be his brilliant political achievements in the past 4 years, his adherence to principle, his statesman-like demeanor, and his moral courage.

Reagan has been an old friend to us, the Republic of China. Of course we wish to extend to him our heartfelt congratulations on his victory. We also hope he will make still greater contributions to the prosperity and progress of the United States, to world peace, and to the well-being of humankind.

However, the U.S. general election and its results were, basically speaking, still a matter of U.S. internal affairs. Now the general election is over. But from video, radio, and newspaper reports we find an aspect of this general election concerning democracy which merits our special attention. We find that in the course of the election, especially after the election concluded, the highly democratic accomplishment displayed by the electorate at large and the candidates' broad-minded political demeanor are admirable, thought-provoking, and worth learning from.

Now let's just take a look at President Reagan's victory speech. His speech is full of gratitude to all sides and is very touching. He used a sonorous and forceful voice language that was simple and easy to understand to make all the American people look forward to and hope for the bright future ahead, thus instantly bringing about the American people's unity. His "America's best days lie ahead and you know, you'll forgive me, I'm going to do it just one more time" and other remarks fully show his consistent wit and sense of humor. More important, the very fact that he made these remarks in a humorous manner shows that Reagan's self-confidence is very strong. His remarks did not give people an impression of arrogance or conceit following his victory.

We can also take a look at the speech made by the Democratic Party's presidential candidate Mondale after he lost the election. After he was defeated, he immediately called Reagan to congratulate him on his victory. Mondale emphasized and hoped that all the American people would be proud of this American President Reagan. This showed Mondale's breadth of mind as a statesman who can be a good winner or a good loser.

The speech by Ms Ferraro, the Democratic Party's vice presidential candidate, was neither supercilious nor obsequious; she implored the electorate who supported her to unite and make common efforts with the state interests and hope for the future in mind to strive for a fair society and a peaceful world. Her remarks also show her accomplishment as a statesman and are very inspiring.

Let us take a look at the U.S. electorate. On 6 November the voters went to the polls in perfect order in a harmonious way everywhere in the country. We did not hear of any unpleasant side issues or new problems cropping up unexpectedly. At various gatherings after the conclusion of the election, neither the winning side nor the losing side made any remark or did anything in a moody or sentimental manner. Actually, the defeated Democrats surely felt somewhat disappointed. However, the electorate knew how to keep their senses and would continue to support the presidential and vice presidential candidates who just got reelected.

Undeniably, the United States is a leading country in the democratic camp of the world. It is also a democratic showcase in the world. The common political demeanor shown in the U.S. general election is indeed a fine model of democracy. While we are actively marching forward on the road of the democratic constitutional government, we can really learn from and draw on the experience of the United States in terms of the candidates' style of conversation and breadth of mind as well as the people's democratic accomplishment. Only by doing so can we hold any election in our country in a proper and normal manner.

MOEA TO PROMOTE HIGH-TECH DEVELOPMENT PROJECTS

OW131025 Taipei CNA in English 0948 GMT 13 Nov 84

[Text] Taipei, Nov. 13 (CNA) -- The Ministry of Economic Affairs (MOEA) has decided to promote 16 high-technology-related development projects in fiscal 1986 (which starts July 1, 1985). MOEA officials noted that those projects are aimed at broadening the base of high technology here so as to help in the future development of Taiwan's high-tech industries.

These projects, which include very-large scale integrated circuits, industrial materials, special chemicals, information, computer software, computer peripherals, computer-aided designs, biological technology, development of non-woven fabrics, measuring equipment, and the upgrading of productivity, have already been submitted to the Executive Yuan for final approval.

Meanwhile, to comply with a call from President Chiang Ching-kuo in a recent meeting with officials from the MOEA is now studying possible large investment projects so as to help stimulate investment willingness from local entrepreneurs, Overseas Chinese, and foreign nationals. In view of the rapid development of such high-tech industries as information, electronics, and machinery in the highly industrialized nations, MOEA officials added that the future development of local industries will also be aimed at high technology so as to help internationalize and modernize the local economy.

PRC PUBLIC SECURITY MINISTRY DEFENDS EXECUTIONS

HK141126 Hong Kong Domestic Service in English 1000 GMT 14 Nov 84

[Text] China's Public Security Ministry has defended the execution of thousands of convicted criminals during a crackdown on crime in the past 15 months. In an unprecedented news conference in Beijing, a ministry spokesman, Mr Wang Jingrong, said during that period the crime rate has fallen by more than 30 percent. Mr Wang told foreign and Chinese journalists that in a country like China with 1000 million people, it was good to have some people executed so as to educate others. Mr Wang refused to give figures for the total number of people arrested or executed. The London-based human rights group, Amnesty International, has estimated that at least 5,000 people died, while some foreign jurists have put the figure as high as 10,000.

PRC GRAIN PACT WITH U.S. SAID 'EFFECTIVELY DEAD'

HK130138 Hong Kong Television Broadcast Limited in English 1100 GMT 12 Nov 84

[Text] According to foreign agricultural attaches in Beijing, China's grain pact with the United States is effectively dead. Officials have indicated that China will not take the 6 million tons of U.S. grain provided for this year, let alone last year's 2.2 million ton shortfall against the stipulated amount. The semi-official CHINA NEWS SERVICE has said that with successive good grain harvests, China will gradually cut imports. Plans to construct new grain unloading berths at Dalian and two other ports have been shelved. U.S. figures show that with less than 2 months to go in 1984, China has bought just a little over 4 million tons of U.S. wheat, and China has bought no corn, although the grain pact calls for 15 to 20 percent of the annual 6 million ton minimum to be corn.

TA KUNG PAO ON TAIWAN'S OVERSEAS 'GREAT ALLIANCE'

HK140459 Hong Kong TA KUNG PAO in Chinese 14 Nov 84 p 2

["Political Talk" column by Shih Chun-yu: "Self-Satire of Taiwan's Overseas 'Great Alliance'"]

[Text] American Edition of CHUNG KUO SHIH PAO Ceases Publication

Just when Taiwan was preparing to hold the "conference of the overseas great alliance," the American edition of CHUNG KUO SHIH PAO, run by a member of the Standing Committee of the KMT Central Committee, suddenly ceased publication. This is really a self-satire of the so-called overseas "great alliance" of the KMT.

The American edition of CHUNG KUO SHIH PAO was sponsored by Taiwan's KMT 2 years ago. At that time, finding itself in a very "difficult situation," the KMT tried hard to enhance its overseas "great alliance." It spared no expense to expand its "propaganda position" in American and started this new Chinese publication. Prior to that, Taiwan's LIEN HO PAO also published a SHIH CHIEH JIH PAO [WORLD DAILY NEWS] in America 8 years ago. Of course, there were also some other reasons for starting these new publications. For example, the KMT's high officials and noble lords could find high-sounding excuses to transfer their property abroad.

KMT's Internal Contradictions Brought Into the Open

Sources from the United States said that CHUNG KUO SHIH PAO had been kept going by painstaking effort and under difficult circumstances during the past 2 years and 2 months since it started publication. The number of its staff increased to more than 200, and workshops were established in both New York and Los Angeles. Recently it prepared to open up a new prospect on the west coast of the United States.

It established a new factory in San Francisco, which was supplemented with color printing and computer typesetting equipment, making itself look like it was going to do something great.

Therefore, when the Chinese residing in the United States heard that CHUNG KUO SHIH PAO had ceased publication, they all believed there would be an inside story to it.

XINHUA sources from New York said that CHUNG KUO SHIH PAO ceasing publication showed that the internal contradictions of the Taiwan KMT had been brought into the open. The focus of the contradictions is becoming more and more clear.

During the Olympic Games, CHUNG KUO SHIH PAO gave wide coverage to the news about mainland athletes successively winning gold medals. When reporting the assassination of Chiang Nan, the American writer of Chinese descent, it did not adopt the "method of touching lightly" in accordance with the will of the KMT. Of course, over the past year or so it has carried quite a few articles by American scholars of Chinese descent on China's reunification, and this may also be regarded as a violation of the taboo of the KMT authorities.

Overseas Chinese Descendents Concern Themselves With China Reunification

As a matter of fact, the Overseas Chinese are showing great concern for the reunification of their motherland. This is the general trend of our times. Recently a symposium on the "future of China" was held in New York, participated in by Chinese scholars from both sides of the Strait and U.S. and Canadian professors of Chinese descent, including Kang Ning-hsiang, former member of Taiwan's Legislative Yuan, Professor Chiu Hung-ta of the University of Maryland, Professor Tien Hung-mau of the University of Wisconsin, and Professor Hsiung Chieh of New York University. At the symposium, most participants were in favor of China's reunification and advocated the building of a unified, democratic, and strong China. As to the methods, channels, and measures for realizing the reunification, each of them aired his own views in order to seek common ground while reserving differences.

Taiwan is also talking about China's reunification. However, people there can only sing the same tune as the KMT, otherwise they can be labelled as "helping the bandits." How can we find freedom and democracy there?

Is the closing down of the American edition of CHUNG KUO SHIH PAO not an excellent satire of the KMT's "overseas great alliance?"

PLA TO REFORM LOGISTICS SERVICE MANAGEMENT

HK131156 Hong Kong MING PAO in Chinese 12 Nov 84 p 5

["Special" dispatch from Beijing: "PLA Reforms Logistics, Promotes Enterprise Operations"]

[Text] The Chinese PLA is considering a reform program for logistics service which will introduce an enterprise-type management into the PLA production section and will open up a new road enabling the PLA to become self-supporting, thus increasing income and reducing expenditure.

Yu Qiuli, director of the PLA General Political Department, recently issued a directive on this problem, demanding that all units that can be managed as enterprises be changed into enterprises, setting forth some principles to be followed, and urging all departments concerned to make conscientious studies and do a good job in the reform.

Liang Bingzhi, director of the Administrative Bureau of the PLA General Political Department, holds that this is a problem of guiding significance. He feels that there are two hard knots in the logistics work which definitely needed to be reformed. The first problem is the necessity of streamlining the logistics staff while ensuring the quality of logistics service.

It will be very difficult to achieve this if the conventional methods continue to be followed. The present logistics system covers everything from the soldiers' basic necessities of life and the military officers' health, discharge, and retirement to the livelihood of Army men's family members living in Army quarters, their employment, welfare, and a great many social facilities. The second problem is the ever growing demand for an improved material and cultural life, which can hardly be fulfilled with the currently available funds.

In order to solve all these contradictions existing in the logistics work, the Administrative Bureau of the PLA General Political Department is studying the methods and measures of reform based on the guideline laid down in the directives issued by the CPC Central Committee and the Central Military Commission. First, the bureau is to carry out an organizational consolidation and a technological transformation among all affiliated enterprises with the aim of enhancing economic results. Second, the bureau is to carry out a reform of the management system among all affiliated units in charge of administrative affairs and to enforce enterprise-type management systems in these units by stages and by groups in light of local experience. Third, the bureau is to successively expand its business.

Recently the PLA General Political Department officially founded a general service company on the basis of the original bureau-owned service company. A construction company, a coal company, a medical equipment and instruments company, and two other subsidiary companies have been established, and a farming, animal husbandry, sideline production, and fishery production company as well as a catering and boarding service company are going to be established under this general service company. While ensuring the fulfillment of various assignments and abiding by the state laws and decrees, these companies will successively enforce the system of independent accounting, and will have full responsibility for profits and losses in regard to production management. They will no longer share in the national defense budget and will be separated from the Army establishment. They will be staffed with members of the original units, employees selected among military officers who have retreated or are going to retreat to the second or third line, and those recruited from among Army men's family members living in Army quarters. A small number of staffers can be recruited locally to meet special needs. Most staff members are to be recruited on a contract basis. The enterprise-type management system will be partly or fully enforced among some units such as motor transport teams, organization-run canteens, building maintenance units.

Liang Bingzhi pointed out: Practice has shown that it is by no means easy to change the status of these PLA personnel engaging in production and business management from Army men to civilians and to make them independent of the financial coverage of the national defense budget. Therefore we must enforce the reform step by step -- implementing the system of enterprise-type management first and then turning these units into full enterprises.

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